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# Oakland Central District Development Program

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# Oakland Central District Development Program

February  
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# Introduction

## Challenging the Future

Oakland is a city that thrives on challenges. Its people, businesses and cultural institutions take pride in their willingness to tackle the problems that perplex society.

### Its past

- as a rugged industrial city
- as a caricatured step-sister of San Francisco
- as a home to successful, notorious athletic teams has helped mold a combative attitude toward challenges.

And Oakland responds well to challenges.

When faced with municipal financial dilemma that stumped the rest of the nation's cities, Oakland innovated with a sale/leaseback financing approach that has been copied throughout the country.

When tackling high unemployment among its population, it pioneered the enactment of economic development programs that fostered hiring of minority companies and individuals and opening of opportunities for minority entrepreneurs.

When seeking to add sparkle to its downtown, its community leaders acted to return Lake Merritt to a period of previous grandeur by ringing its shoreline with a Necklace of Lights.

Above all else, Oakland is a city whose neighborhoods mix people of diverse races and ethnic backgrounds in a manner that demonstrates to the rest of the nation the value of a pluralistic society.

The City, through its elected leaders, undertook a new challenge. In response to a growing Bay Area economy, the City Council, with the encouragement of a number of community interests, embarked on a new development plan for its downtown. The plan, entitled the Central District Development Program (CDDP), was to provide a strategy for furthering the physical and social revitalization of downtown. The plan was to contain:

- o methods for attracting a larger share of the Bay Area's office, retail and entertainment market;
- o recommendations on how new buildings should complement old and bring new visual excitement to the Central District;
- o proposals for improved pedestrian spaces and parks;
- o revisions to the street circulation and parking program;
- o recommendations for adding more housing;
- o revisions to its downtown land use patterns and zones; and
- o proposals for a program that would gain greater minority financial equity involvement in commercial projects;

Council and  
Community  
Review

This report represents the culmination of a 3-phase CDDP study. The first phase identified current downtown issues and opportunities. Technical reports were prepared during Phase I on such diverse topics as land use regulation, urban design, transportation, environmental service capacity, housing, commercial development, socioeconomic concerns and fiscal condition. Phase II presented alternative investment strategies and priorities for developing the Central District. The recommendations in this report are based on the findings made in the previous phases and on comments received from the CDDP Select City Council, Citizens Advisory, and Technical Committees, as well as from the general public.

The report is being presented to the City Council and the community for review. After receiving comments from City departments, community and business organizations, and the public, the Council will consider possible modifications and eventual adoption

of the various recommendations as part of the City's policies and development programs. The review and approval process will likely take place over several months and include several opportunities for public comment.

## **Three Challenges**

The Plan responds to three basic challenges or goals for the Central District.

- o     **To Attract Growth**
- o     **To Manage Growth**
- o     **To Share the Benefits of Growth**

All three challenges are interdependent. A greater share of the Bay Area economy can bring new benefits via new job opportunities and an expanded tax base that, in turn, can be used to build new housing or to improve employment training.

Yet a successful program to "attract new growth" needs to be balanced by a firm guiding hand. Clogged city streets, displaced low-income residents, cold and shady downtown plazas or decaying utility pipes should not be the outcome of more downtown development.

The CDDP contains numerous recommendations for meeting these three challenges. They are stated in terms of policies and implementing actions and public investments the City Council could take in its efforts to strengthen the downtown.

### **Challenge One: Attracting Growth**

If you are a Bay Area business leader or employer, consider the following characteristics of Oakland's Central District and the recommendations of the CDDP:

- o There is no San Francisco-type "cap" in Oakland.  
There is not a Walnut Creek-type building moratorium.  
There have been no Concord-type voter initiatives  
that could say no to downtown development.
- o There is no traffic "gridlock" like the San Ramon Valley or on Highway 101 in Marin or San Mateo Counties in Oakland's Central District. BART arrives at three Central District stations and enables an increasing proportion of the Bay Area's population to commute to Oakland. CDDP policies and actions recommend that Oakland enacts traffic and

transit improvements in advance of new development to ensure that gridlock will not occur.

- o The CDDP recommends an office attraction program aimed at encouraging you to locate in one of the new or proposed Central District Offices. The program includes budgeted items that will help cut start-up costs. The proposal also includes new day care facilities and daytime cultural and entertainment events that will provide a supportive environment for Central District employees.
- o The CDDP recommends the financing and development of over 1 million square feet of new retail shops and restaurants ranging from a 4-department store, regional Retail Center to specialty shopping in Chinatown, Jack London Square, Old Oakland, Preservation Park, or Housewives Market.
- o Broadway, Oakland's "Main Street", will be rejuvenated with new lights, street trees, bus shelters, and paving. And in the future, a trolley will run from one end of the Central District to the other to help bring noontime shopping and eating opportunities closer to downtown employees.
- o Parking for business and shopping trips will be convenient due to the 5,000 new City-sponsored spaces located adjacent to new retail and office centers.
- o A City-sponsored transportation coordinator will work with Central District business to promote vanpooling and arrange for transit passes for employees.

#### Challenge Two: Managing Growth

To provide Oakland residents and employers with a well-functioning and attractive Central District, it will be important for the City to enact a series of recommended management policies. The CDDP policies and programs encourage and ensure that:

- o current residential neighborhoods will continue to ring the high-density commercial core thereby providing a 24-hour vitality to the Central District.
- o new mixed-use, medium and high-rise housing are introduced near the Waterfront and Lake Merritt to provide new housing opportunities.

- o the pattern of new development blends harmoniously with nearby buildings having historic or architectural character.
- o the public facilities are not overloaded.
- o large office buildings are within two or three blocks of bus stops and BART stations.
- o streets will flow smoothly during the evening rush hour. Traffic will be directed toward nearby freeways and away from adjoining neighborhoods.
- o parking spaces will be available to short-term business users and shoppers, who now must compete for space with all-day commuter parking.
- o pedestrian activity is encouraged by providing ground-level retail on major downtown streets.
- o new tree plantings and parks occur throughout the Central District.

The CDDP contains a management/investment strategy aimed at carefully balancing the total cost of the numerous suggested programs and projects with current and projected revenues. The strategy proposes investments for the next 5-year period that will both meet economic/employment objectives and generate the revenues needed for the following decade. Investments are recommended for new or improved community facilities and streets in anticipation of future demands. By making these improvements before problems occur, the City can avoid the conflicts about new growth experienced by its neighboring cities.

#### **Challenge Three: Sharing the Benefits of Growth**

To many Oakland residents, there is little reason to encourage expanded downtown economic development unless the benefits are shared with all segments of the community. "Sharing the benefits" of new growth therefore represents the biggest challenge faced in CDDP.

The CDDP responds to this challenge by, in effect, making a challenge. The Social Equity policies challenge the Oakland business and community leaders to accelerate their efforts to bring the City's unemployed and underemployed into Central District jobs. It challenges the Oakland education and job training and placement programs to work more closely with Central

District businesses to make certain their graduates are capable of fulfilling employer needs.

The CDDP also establishes a policy for the participation of ethnic or racial minority entrepreneurs in the various public-initiated development projects. The policy outlines a flexible, equitable and pragmatic financing method by which majority and minority developers can participate with each other in financing and establishing ownership in Central District projects.

Additionally, the CDDP encourages the City Council to establish housing as a major Central District priority for City revenues. Subsidies are recommended to help stimulate new Central District housing. Emphasis is also placed on improved housing for the homeless or transient individuals or families, for whom the Central District is one of the few locations where they have been able to find a place to live.

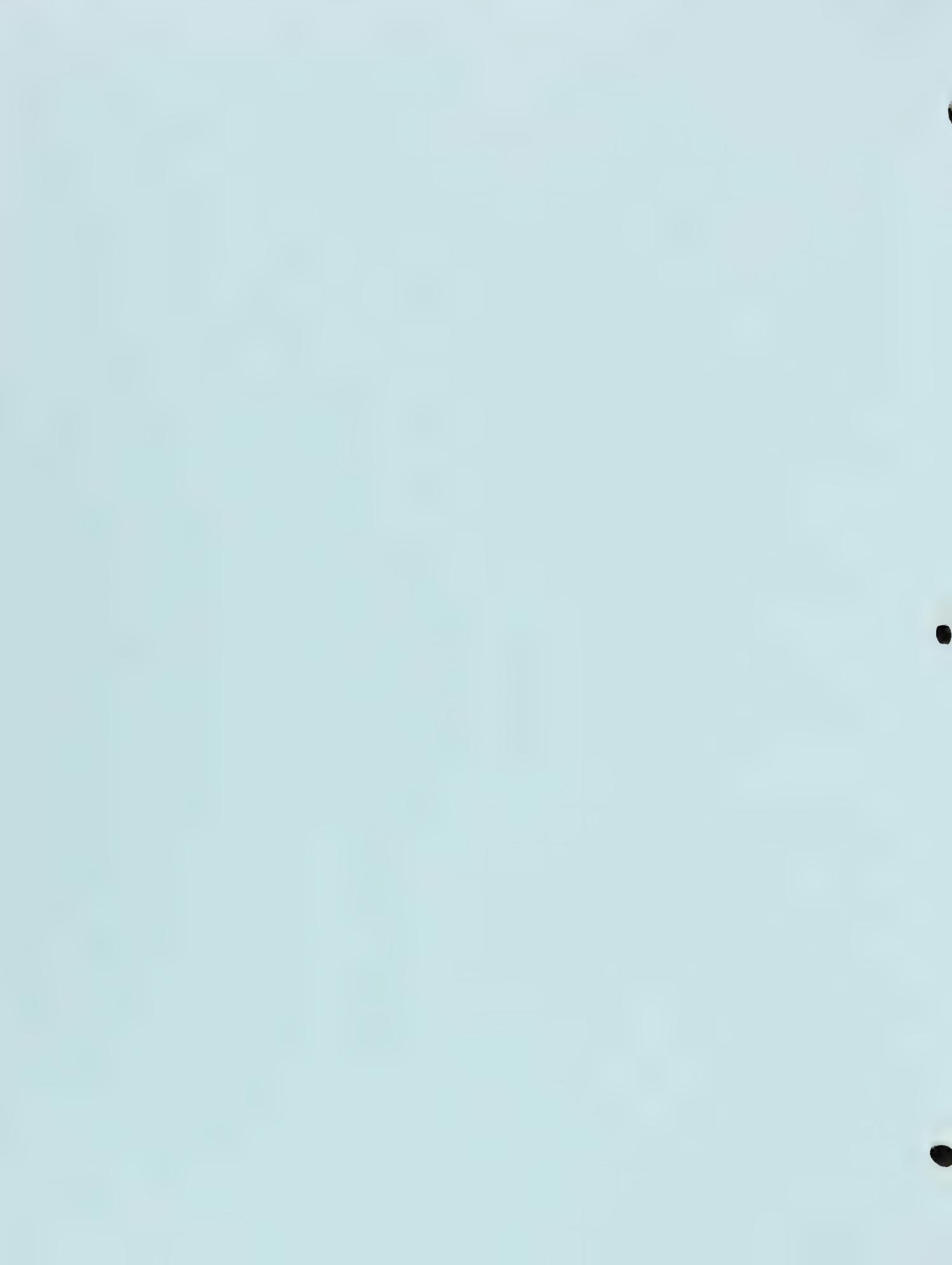
The tripartite goals of Attracting, Managing and Sharing the Benefits of Central District Growth provide a substantial opportunity for Oakland to continue its tradition of responding to new and changing challenges.

#### **Comprehensive Management Program**

The City Council, and its various City departments, have recently initiated many new Central District development projects and studies aimed at revitalizing the Central District. Such projects include Jack London Square, Housewives Market, Hotel II, City Hall Plaza redesign, Retail Center Study, Housing Plan, Transit Study and Cultural Program.

The Central District Development Program was initiated, in part, to make sure that there is an overall downtown strategy that integrates all the various projects, and ensures they do not conflict with each other. The CDDP recommendations present such an integrated complementary economic development, land use, transportation, urban design, housing, community facility and socio/equity policies and actions that should be enacted over the next 15 years. It also contains a \$180,000,000 investment strategy that establishes financial priorities that are consistent with likely future revenues.





# Attracting Growth

## Economic Attraction Program

The Central District's commercial market has experienced both ups and downs over the past two decades. Office development has increased significantly bringing additional daytime activity to several new areas of the Central District. Retailing, on the other hand, has experienced declines leaving a larger underserved market that is just now being recognized.

Within a Bay Area context, the next decade could become an exciting and dynamic period for economic change in Oakland. Other regional employment centers, including San Francisco and East Contra Costa, are experiencing public pressures and service limitations that could lessen their rate of new growth. Oakland, by enacting an aggressive attraction program in conjunction with carefully balanced environmental and public facility enhancement projects, is in a position to capture a large share of the Bay Area's economic growth.

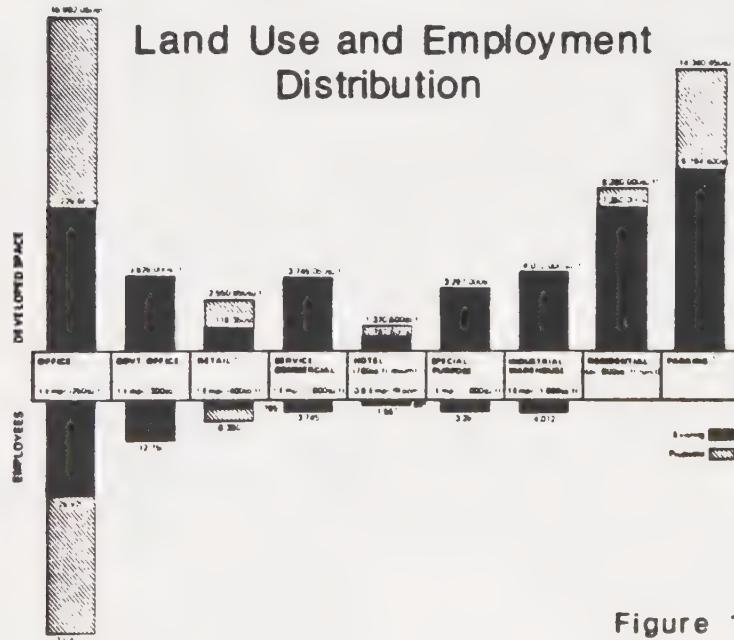


Figure 1

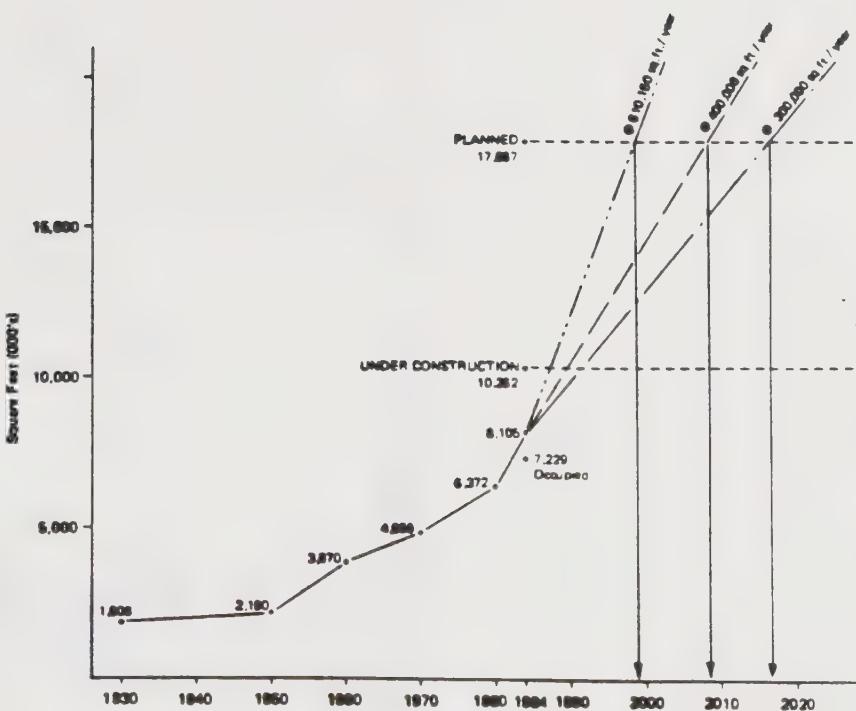
## Office Sector

At present and for the foreseeable future, Oakland's office market will be more affected by regional market conditions than it was only ten years ago. As Oakland becomes a more significant regional office center and moves beyond the local serving market, it will be more affected by regional trends. This fact represents both an opportunity and a constraint for the Central District.

Although the trend for decentralization in the region's office market will continue, the market is becoming increasingly competitive, with planned additions to supply outstripping estimates of demand for most submarkets.

Unless the current market absorption rate is substantially increased, completion of the planned office projects will extend well into the next century.

The City has taken all the necessary steps to encourage developers of office space, having initiated public/private office developments which account for over two-thirds of the total office space approved for approaches at attracting tenants to the proposed space.



Historical and Projected  
Office Growth

Figure 2

A successful attraction strategy is the vital link to the success of the Central District. Companies, whether they are now located in Oakland or in other sections of the Bay Area, need to be sought out and encouraged to expand or relocate to the Central District. The actions listed below in combination with other CDDP recommendations for transportation, infrastructure and streetscape improvements all should be used in marketing the Central District.

#### Policy

An aggressive attraction marketing strategy should be enacted to increase the annual rate of absorption of office space from 300,000 to 600,000 square feet over the next ten years.

#### Implementing Actions

- o Develop a tenant targetting program with the help of commercial realtors, major project developers, the Office of Economic Development and Employment, and the Mayor's Office. The program should develop and provide specific leads, including a listing of companies whose leases are expiring in the near future and who are in prime position to need new space.
- o Create a fund to provide financial assistance to help offset a portion of the costs of tenant improvements and start-up costs associated with moving to a Central District office building. This fund should be used selectively and considered only for prospective tenants who, over time, would make a substantial contribution to the Central District's employment opportunities. Such circumstances could exist with a) a larger employer (500-1000 employees) locating in Oakland, b) a medium-sized company (200-300 employees) that is rapidly expanding, and/or c) a company that pledges to actively become involved in Oakland's School District/Business Support program.
- o Create a Mayor's Tenant Outreach Committee, comprised of well-recognized civic and business leaders and headed by the Mayor, to make direct approaches to the prospective tenants identified through the targetting program.
- o Support the creation of new child care facilities. The City would provide initial capital grants to child care operators who propose to create facilities located in the Central District to serve downtown employment.

- o Continue to support cultural programs that, among other benefits, serve to market Oakland and the Central District. These include special events and programs - parades, street fairs, ethnic festivals, street performers - that bring excitement to downtown.
- o Form a Central District Development Council that could be involved in:
  - marketing and promotion of the Central District
  - developing the action plan for the Broadway streetscape improvements, including the arrangement of an assessment district
  - developing and perhaps operating the Broadway Trolley
  - continuing the additional mounted and walking patrol officers
  - contracting for additional maintenance and landscaping services
- o Study the activities of similar groups elsewhere to determine how they operate and how such an organization might work in Oakland.

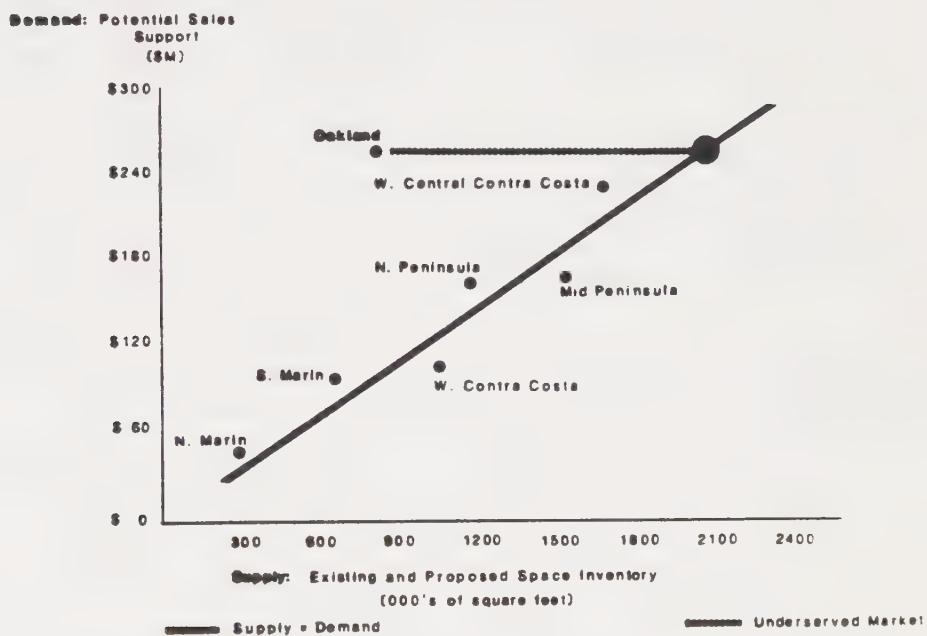
<b>Public Investment</b>	<b>Tenant Attraction Fund</b>	\$2,000,000
	<b>Childcare Facilities</b>	\$ 750,000
	<b>Cultural Programs</b>	\$2,450,000

## Retail Sector

Oakland's retail market is underserved by department stores and most other types of retail space. Thus, Oakland's retail sales potential is being captured by other cities, resulting in a sales leakage estimated at \$300 million per year. At the same time, the market opportunity is strong for all types of retail in the downtown. Developer proposals for the retail/mixed use center confirm that Oakland's market or trade area has excellent demographic characteristics for major retail development.

During the course of the CDDP effort, several major retail developments were announced for the Central District. By the end of 1985, there was ample reason for optimism that retail would again become a vital part of Oakland's downtown. The most dramatic evidence was the fact that three of the nation's leading retail developers competed for the rights to build the proposed retail/mixed-use center.

The new optimism contrasts with the recent history of retail stagnation and decline over the last two decades. Sales in the city at large have declined relative to state averages, from 87% of the state average per capita taxable sales in 1977 to only 68% of the average in 1984. A central city like Oakland should be able to draw support from a wide region, and thus capture sales at a higher than average rate.



Major Retail Supply and Demand

Figure 2

Current  
Retail  
Strategy

The current retail strategy has evolved primarily on an ad hoc basis. In an effort to make some progress, the City has typically supported most of the retail projects proposed for the downtown, often committing in kind or financial support. The fortunate result of this reactive approach is a series of proposed projects which, in combination with the proposed regional retail mixed use center, provide the important elements of a retail strategy for downtown.

Currently there are active development plans for seven major retail projects in the downtown. Most of these have received active public support. These projects, in various stages of development and certainty, are as follows:

- o Jack London Square Expansion - Approximately 180,000 sq. ft. of new specialty shops and restaurants. project must achieve substantial new levels of Scheduled for mid-1987 opening.
- o The Ironworks - 55,000 sq. ft. of value-oriented home decoration stores in a historic rehab structure. To open mid-1986.
- o Old Oakland - 120,000 sq. ft. of specialty retail, retail services, entertainment, and food and beverage outlets targeted for: 1) the middle and higher-income residential market segment, 2) office workers, and 3) visitors. Construction on the initial phases is underway with project completion scheduled by 1987.
- o Chinatown - 120,000 sq. ft. Asian-oriented complex is on two levels currently has been proposed, although the developer is currently considering amending this plan. Opening before 1988 is unlikely.
- o City Center - Development plans currently being revised. The last proposal called for 70,000 sq. ft. of retail heavily targeted towards the office worker population. Timing is uncertain.
- o The Rotunda - 120,000 sq. ft. of retail on three levels, primarily oriented to the daytime office worker market and to the upscale residents for shopping/entertainment. Currently under construction and leasing. A 1986 opening is projected.

- o Regional Retail/Mixed Use Center - 2-4 new department stores and approximately 300,000 sq. ft. of mall shops. Broad based trade area residential support is essential for success of this project. Scheduled opening in 1991.
- o Housewives/Swan's - Rehabilitation of the Housewives Market, including some expansion of the existing facility, to operate as a food emporium. Alternatively, consideration should be given to the purchase of the nearby Swan's Market, which is physically more attractive, with relocation assistance provided to current tenants.

Together these projects represent greater than 1 million square feet of new shopping space plus the proposed department stores. This level of development should be adequate to satisfy the market potential, and public assistance to additional projects in the near-term appears unnecessary.

#### Proposed Retail Strategy

A downtown retail strategy should provide shopping, restaurant, and entertainment opportunities for all segments of the market, without overloading any one segment. It should draw support from three segments: office workers, visitors and residents. The city's current approach, if successfully implemented, constitutes an appropriate retail strategy for the Central District when coupled with the policy recommendations listed below.

#### Policy

The City should maximize the effectiveness and leverage of the public investment in the Retail Center, as well as other future commercial developments, by avoiding the "front loading" of its investment and by making maximum use of local public financing.

#### Implementing Actions

- o Negotiate commercial projects in a manner whereby public investment coincides with or follows, to the extent feasible, developer investment. The developer should be asked to advance funds to share in costs typically borne by the City, such as parking land acquisition. Major public expenditures should be made as late in the pre-development phase as possible, except for strategic land acquisitions. Major site purchases should proceed only after key project milestones, such as major tenant commitments, are reached.

- o Explore the potential for forming joint venture partnerships or other arrangements with key land owners which reduce front-end land acquisition costs.

**Policy**

Provide additional support to draw residential shoppers to the downtown if the Retail Center cannot be developed as proposed or after the Retail Center is completed.

**Implementing Actions**

- o If the Retail Center cannot be developed at the size initially contemplated, reduce its size and make greater efforts to involve existing property owners in a regional shopping center. If those efforts fail, the City shoud withdraw from the effort and permit market forces to dictate development of that area.
- o Establish a Commercial Rehabilitation Loan Program to be instituted to help upgrade the appearance and function of retail on Broadway, Telegraph, San Pablo and other locations where public subsidies may be required should the Retail Center not proceed.
- o Produce Market - Develop an action plan that preserves the unique design character of the Market and the important function it serves. The plan should consider parking and truck loading improvements.

<b>Public Investment</b>	<b>Commercial Rehabilitation Loan Program</b>	<b>\$6,000,000</b>
	<b>Produce Market</b>	<b>\$3,000,000</b>

## **Urban Design**

The Central District's special character derives from its unique physical features including its patterns of development, the relation of urban and open spaces, its historic and cultural resources, and diversity of special districts and neighborhoods. These features reinforce the special identity the Central District as the focus of business, commerce, cultural and civic activities for the City and the East Bay Region. They also act as an attraction for businesses and residents considering locating in Oakland.

The following set of urban design policies build upon the existing assets of the Central District and if followed will guide future development of the Central District in a way that will increase its attractiveness to business. These policies express basic principles of urban design which underlie many of the land use policies and design guidelines which follow.

### **Policies**

#### **Setting**

The natural features which surround and define Oakland's Central District - the hills, Lake Merritt, the Channel and the Oakland Estuary - provide a natural setting which is the City's most important amenity. Visual and physical links to these natural features should be maintained and enhanced.

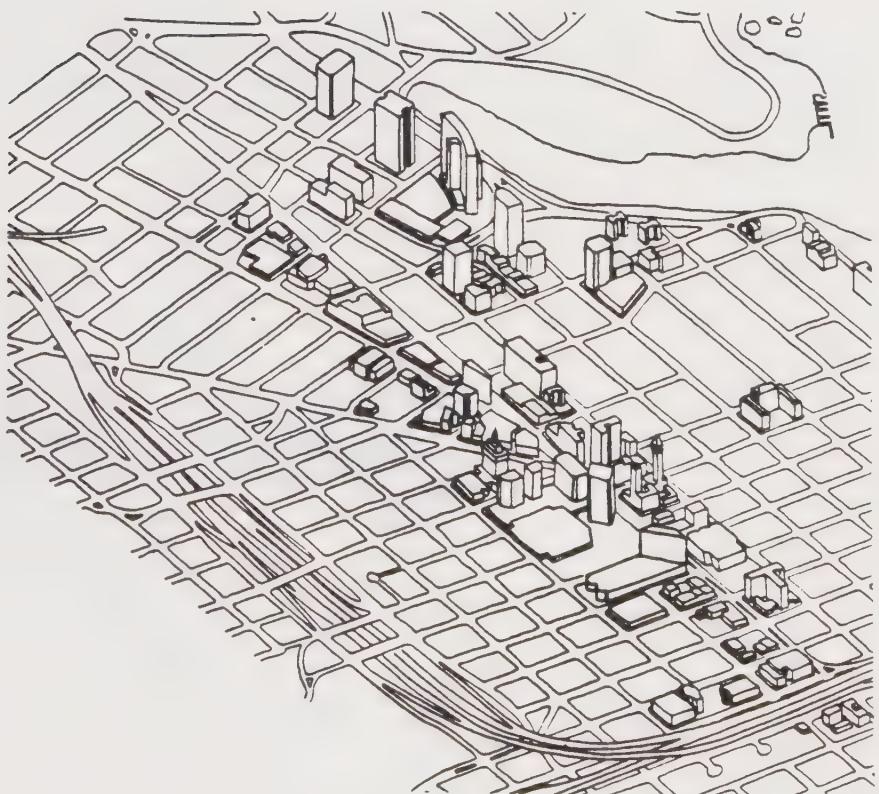
- o Recognize and protect major views of natural features from points within the Central District, particularly along street corridors and from major open spaces and parks. Do not allow new construction to block views.



- o Enhance and make more accessible the water edges. Integrate the waterfront edges into the overall network of parks and pedestrian ways providing missing links where needed, such as along the Channel.
- o Enhance the waterfront with a consistent pedestrian oriented design treatment and highly visible planting scheme.
- o Improve views along approaches to the Central District by intensifying planting along the Nimitz and I-980. Create special gateways to the Central District at key locations through intensive plantings and built forms.

#### **City Pattern**

The underlying structure of the Central District is established by a street pattern that creates points of strong focus where the rectangular street grid and radial street pattern intersect. This unique street pattern together with buildings and open spaces makes up a visually interesting but sometimes confusing city form. This pattern and form should be clarified, reinforced and enhanced though public and private development and actions.



- o Use landscaping and signage to clearly distinguish major entry points, throughways and local travel routes for vehicles and pedestrians.
- o Increase the visibility and distinctiveness of the Central District in the City of Oakland and the East Bay. Control the combined effects of building height, bulk, and form and clarify the patterns of development within its sub-districts.
- o Adopt a coordinated program of architectural design guidelines and streetscape improvements which work in concert to clarify and enhance the urban form and character.
- o Promote the subdivision of unusually large blocks to approximate the prevailing block size of 200 feet by 300 feet and develop pedestrian ways through them as part of the open space system.

#### **Historic and Cultural Resources**

The history of the Central District's growth and development is embodied in its pattern of streets, parks, open spaces and waterways, and in its wealth of architecturally and historically significant structures. These provide a sense of continuity as the Central District continues to grow and change. These elements must be conserved and revitalized.



- o Promote the preservation of historically and architecturally significant landmarks and districts. Continue and accelerate the program of designating those Central District landmarks and historic districts identified through the Oakland Cultural Heritage Survey.
- o Develop programs to ensure the retention of significant structures including technical and design assistance on loans to property owners.
- o Develop design guidelines that promote rehabilitation of structures to respect their architectural integrity and ensure the design of adjacent new structures compatible in form, scale and composition.

#### Diversity

The Central District includes a number of activities widely diverse in function and character which range in use from corporate headquarters to wholesale markets and from luxury housing to residential hotels. This diversity contributes positively to the vitality of the Central District. This diversity, however, also contributes to a lack of identifiable core.

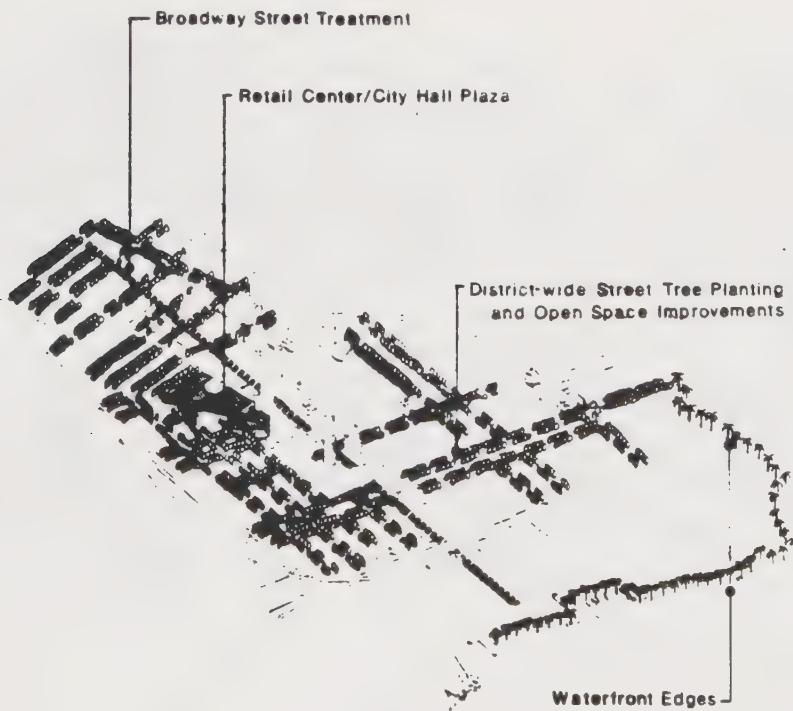


- o Consolidate and focus zoning designations to create dense, pedestrian oriented districts for shopping, office and residential activities. Emphasize the distinct nature of different districts through street treatment, special activity areas, and architectural treatment to provide an exciting environment for residents, workers, and visitors.
- o Promote and project unique areas within the Central District, Chinatown, the City Hall retail area, and Embarcadero/Waterfront areas.
- o Create new open spaces to enhance the various environments or the Central District, particularly its neighborhoods.
- o Provide increased pedestrian amenities (benches, transit shelter, information kiosks, drinking fountains) where major pedestrian concentrations will occur and in special activity areas, such as City Hall Plaza.

## Special Projects

A number of high impact projects and programs have been identified which can be achieved given the current availability of public funds. Concentrated in key areas of the City, and termed Special Development Projects, they will provide a framework which can attract future growth. The City should give the highest priority and emphasis to these projects.

- o Development of the proposed regional Retail Center incorporating the Emporium-Capwell store linked directly to a pedestrian district centered on City Hall Plaza.
- o Completion of a system of continuous and consistent waterfront walkways along the Oakland Estuary and Lake Merritt Channel to be integrated with and accessible from and through existing and future developments and open spaces.
- o Streetscape improvements along Broadway including the construction of a single rail trolley line from 25th Street to the Embarcadero.
- o A coordinated and accelerated program of street tree planting and maintenance and open space improvements throughout the downtown to foster the image of Oakland as a "green city."



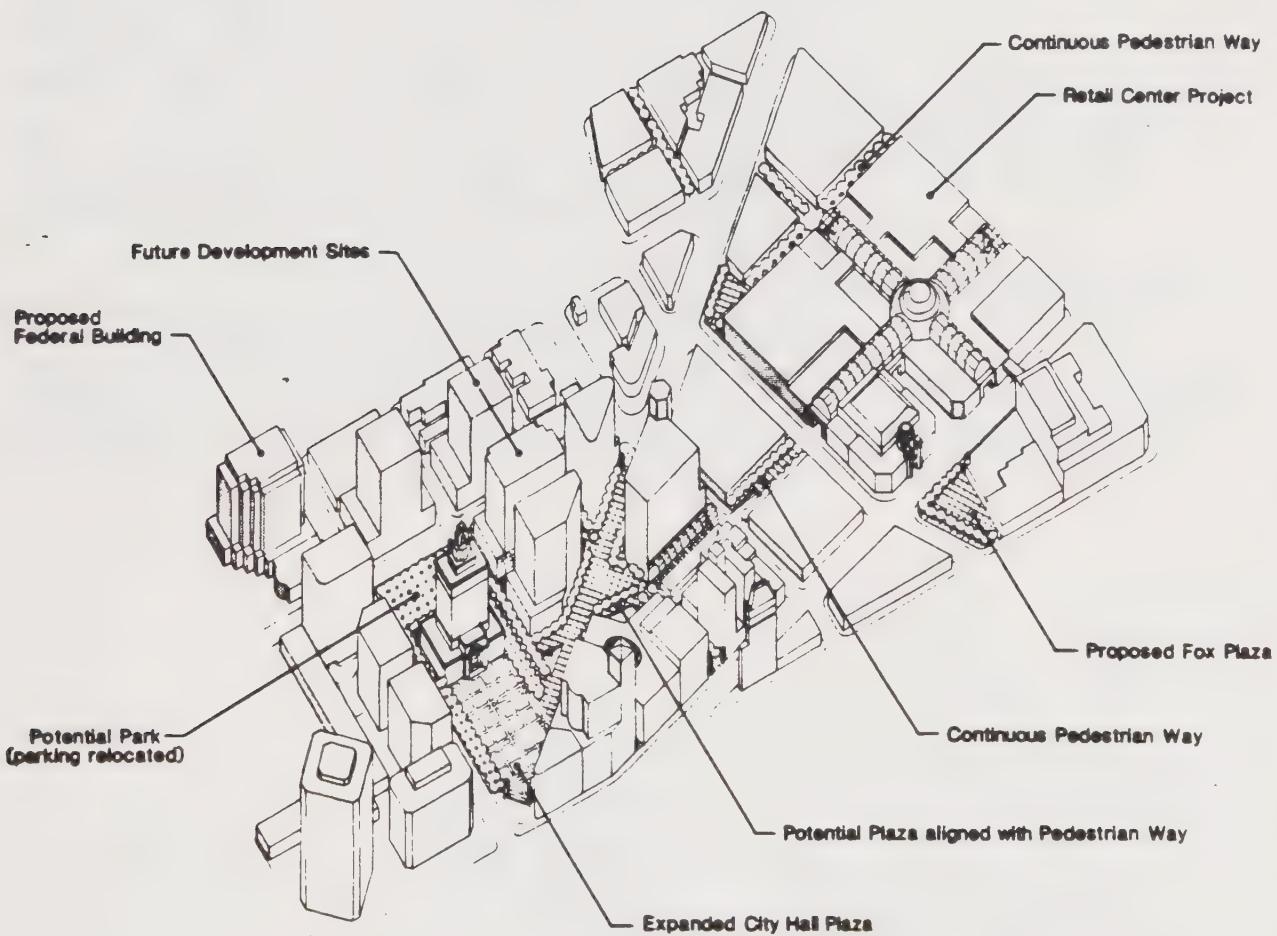
The importance of the Special Projects is threefold:

- o First, immediate action is possible. Many of the affected areas are already under City control, in others it can be easily obtained. The Retail Center Project is already under public sponsorship. The cooperation of the other city agencies is all that is necessary in other areas.
- o Second, the projects could be implemented with a reasonable and feasible level of expenditure by the City. Once urban design and development standards have been established by the City, many of the improvements can be completed with private monies.
- o Third, these are focused projects in specific areas that will act together as an integrated and recognizable development framework for the Central District.

These four programs are detailed on the following pages along with the public actions and general design guidelines needed to achieve them. The drawings are intended as illustrative guidelines. More detailed design studies may be required prior to proceeding with certain projects.

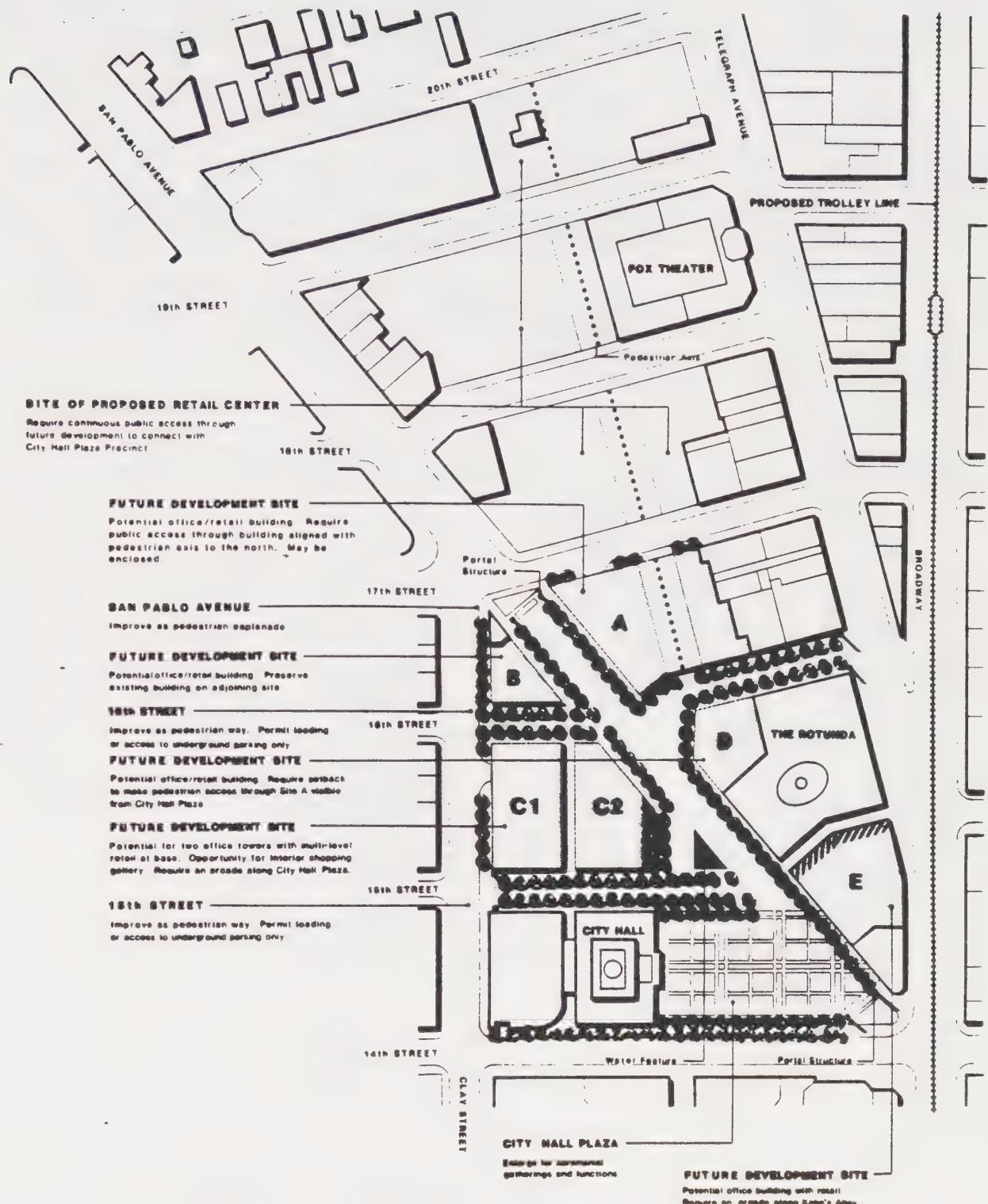
**Retail Center/  
City Hall  
District**

With the addition of the regional retail center, City Hall Plaza forms the hub of a potential special activity area which will attract pedestrians to enjoy its shopping, scale, architectural landmarks, sunlight and amenities. In tandem with the development of the Retail Center project, a special pedestrian district should be created by enlarging and redesigning City Hall Plaza and rerouting traffic on adjacent streets to provide a pedestrian orientation.



**Retail Center/City Hall District Development Potential**

Figure 5



## **City Hall District Development**

**Figure 6**

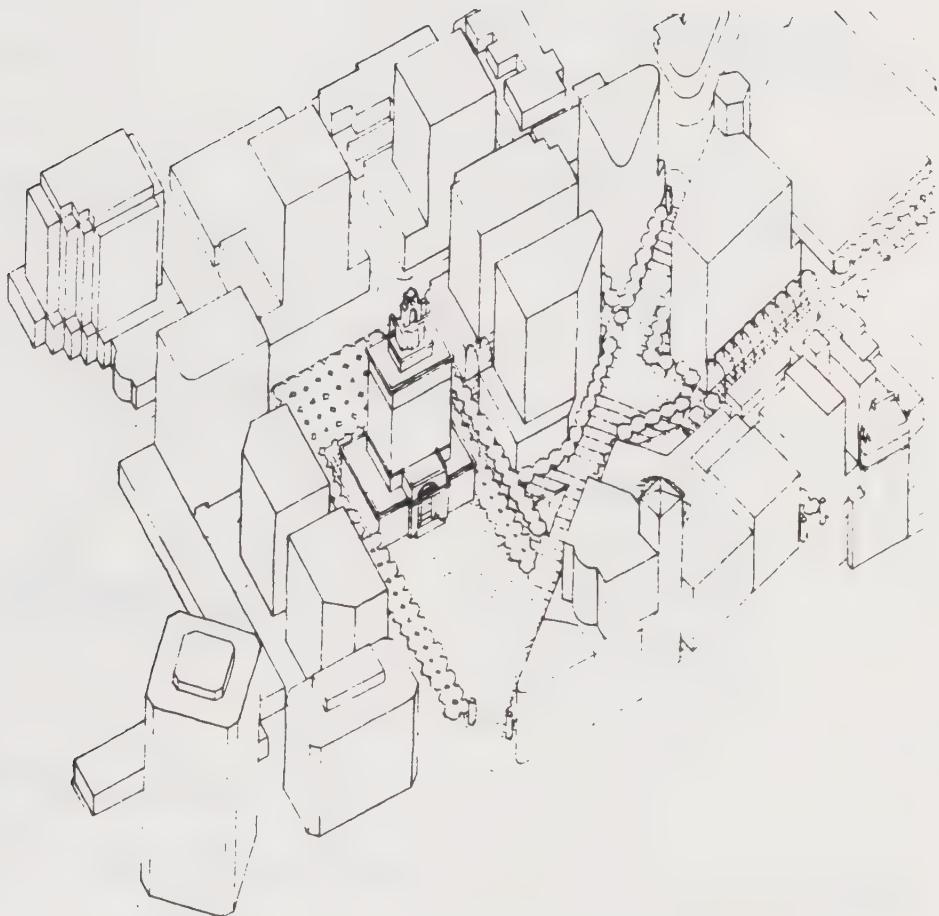
### **Project Guidelines**

Guidelines for the design of open space and pedestrian ways, and building height and bulk controls are critical if the City Hall Plaza area is to become a truly special pedestrian district. The height and bulk controls serve to achieve several important goals:

- Maintain views of the City Hall tower and spire to reinforce its symbolic importance.
- Ensure that adequate sunlight reaches the Plaza.

The diagrams and drawings below illustrate guidelines for projects developed in the City Hall precinct:

- o Enlarge City Hall Plaza to include the adjacent rights-of-way of San Pablo Avenue and Washington Street.



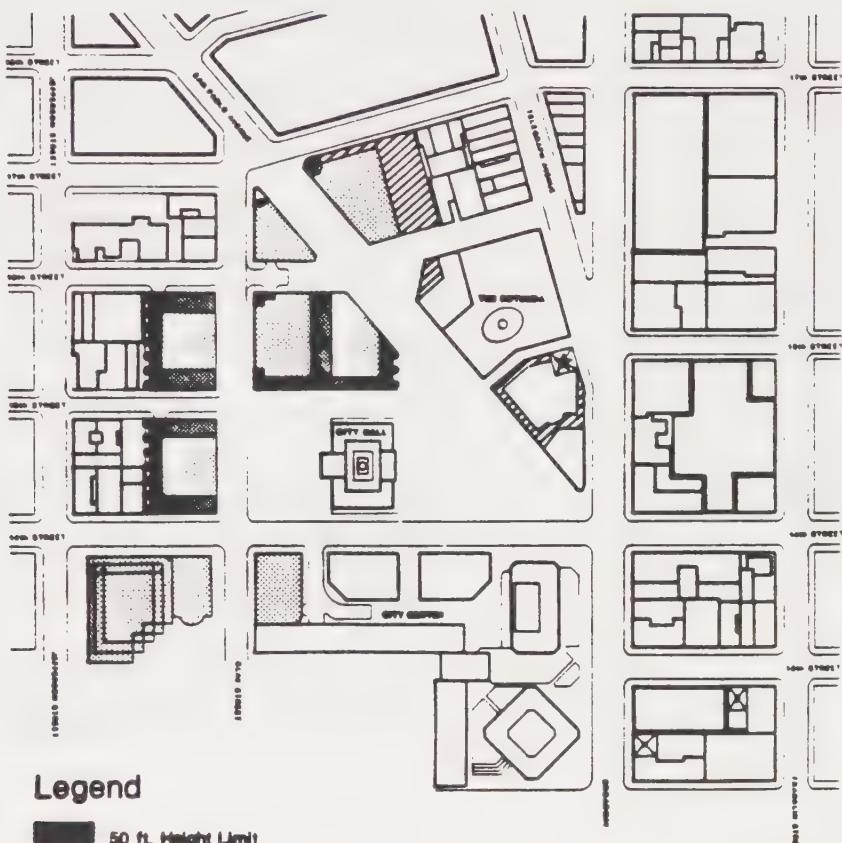
**City Hall Plaza Improvements**

Figure 7

- o Close other adjacent streets to traffic: 15th, 16th (east of San Pablo, optional) and San Pablo to 17th. Reroute the through traffic to Clay Street, allowing limited access to parking and loading facilities as required.
- o Redesign the enlarged Plaza as an open ceremonial space marked by special paving and focused on City Hall. Concentrate planting and special features such as fountains around the perimeter rather than toward the center. Parking could be provided under the Plaza only if it is completely below grade.

## City Hall District Building Setbacks and Heights

Figure 8



### Legend

<span style="background-color: black; width: 10px; height: 10px;"></span>	50 ft. Height Limit
<span style="background-image: repeating-linear-gradient(45deg, transparent, transparent 2px, black 2px, black 4px); width: 10px; height: 10px;"></span>	100 ft. Height Limit
<span style="background-color: white; border: 1px solid black; width: 10px; height: 10px;"></span>	210 ft. Height Limit
*****	Setback Required from Property Line
—	Existing Building
—	Future Building
★	Special Features (Towers and Gallerias etc.) may exceed recommended height by up to 50 ft.

- o Improve the limited access streets leading into City Hall Plaza with intensive street tree planting to frame sight lines down streets, complementary paving, and pedestrian amenities including benches.
- o Require the subdivision of long blocks between San Pablo and Telegraph Avenues to shorten distances for pedestrians. Blocks may be divided by new streets, alleys, open pedestrian walkways or enclosed passageways.
- o Where enclosed passageways are provided, they should be designed to be immediately visible and easily accessible to pedestrians. They should be accessible to the public during the day and early evening.
- o Arcades should be provided in new buildings north of City Hall Plaza and adjacent to Kahn's Alley.
- o Buildings surrounding City Hall and the Plaza should not exceed the height of the City Hall office tower at 210 feet.
- o For new buildings surrounding City Hall, the floors above the height of City Hall's base (50 feet) should be setback from the street.
- o Require new buildings north of City Hall on Clay Street to be setback from the property line to match the setback of City Hall.
- o Adopt specific guidelines and criteria for design of public improvements and public and private development the vicinity of City Hall. For public projects, these guidelines should be made a part of the Request for Proposal process.
- o Proceed with the redesign of City Hall Plaza through the competition process already initiated, but extend the improvements to encompass a larger area.

#### Short-Term Public Actions

**Long-Term  
Public Actions**

- o Proceed with the construction of City Hall Plaza improvements.
- o Other long-term projects could be explored as funds become available, such as relocation of the City Hall parking garage into a new City Hall Annex building on Clay Street and the improvement of that site behind City Hall as an intensively landscaped park.

**Public Investment**

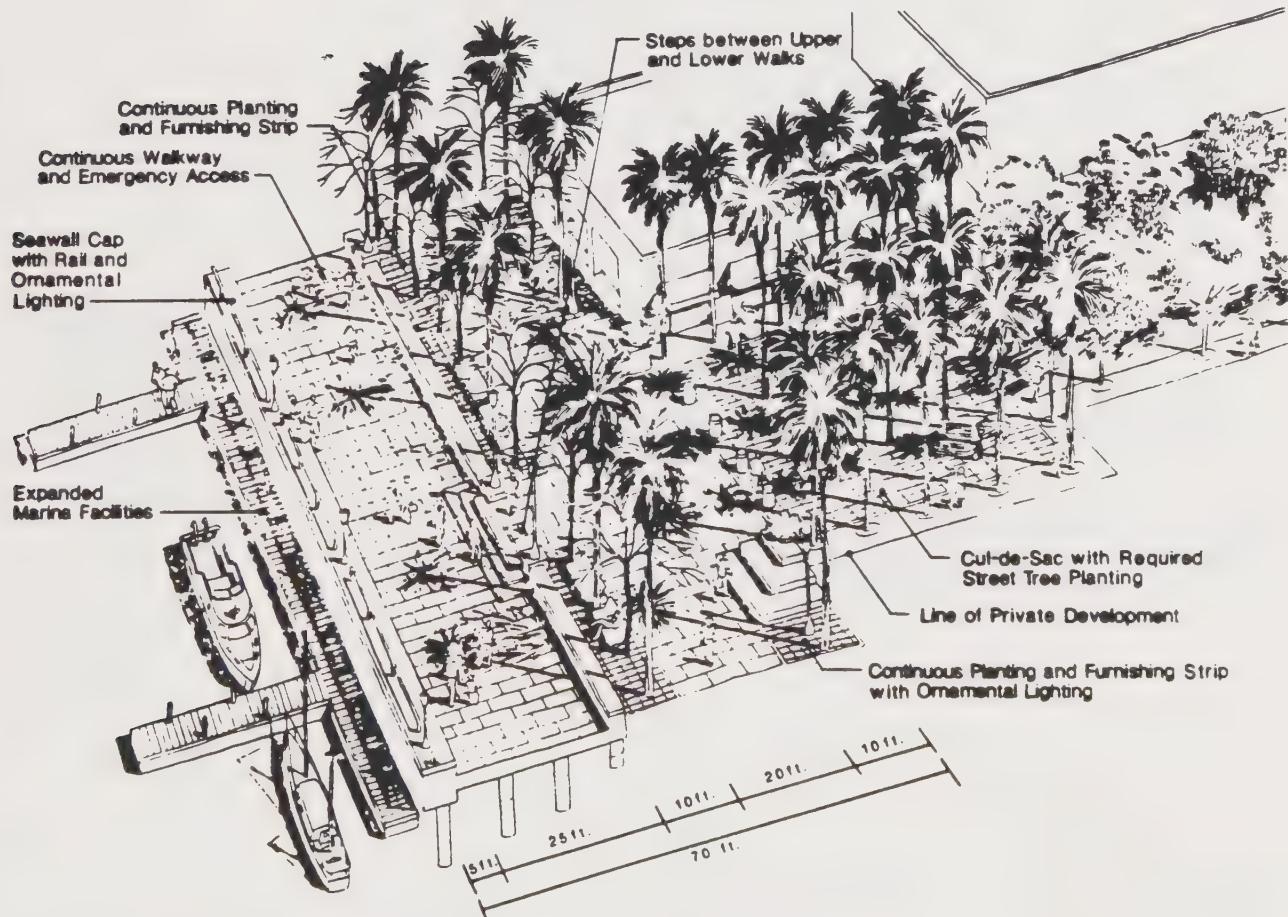
Cost estimates for the projects and programs outlined above are as follows:

o	City Hall Plaza	\$13,500,000
	Main Plaza Improvements	\$ 5,000,000
	Parking 200 spaces	\$ 7,500,000
	Improvements to Limited	
	Access Streets	\$ 1,000,000

## Waterfront Edge

A lively waterfront where a range of recreational and maritime activities can occur is one of the greatest attractions any downtown can have. In Oakland, access to and along the Estuary edge is the missing link in a nearly complete system of interconnected waterfront walkways. Once complete, this system of water-related parks and promenades can become a regional attraction, unique in the Bay Area.

Guidelines for the development of all waterfront properties adjacent to the Estuary and the Channel should be prepared and adopted in advance of specific development proposals. Where jurisdictions overlap, the entities should work together to develop them. A plan for pedestrian improvements and landscaping along the waterways should be developed. The public improvements could be built in increments as adjacent waterfront properties are redeveloped. To the maximum extent possible, public improvements should be funded by new private development to minimize costs borne by the City and/or the Port.



Pedestrian Promenade—Typical Section

Figure 9

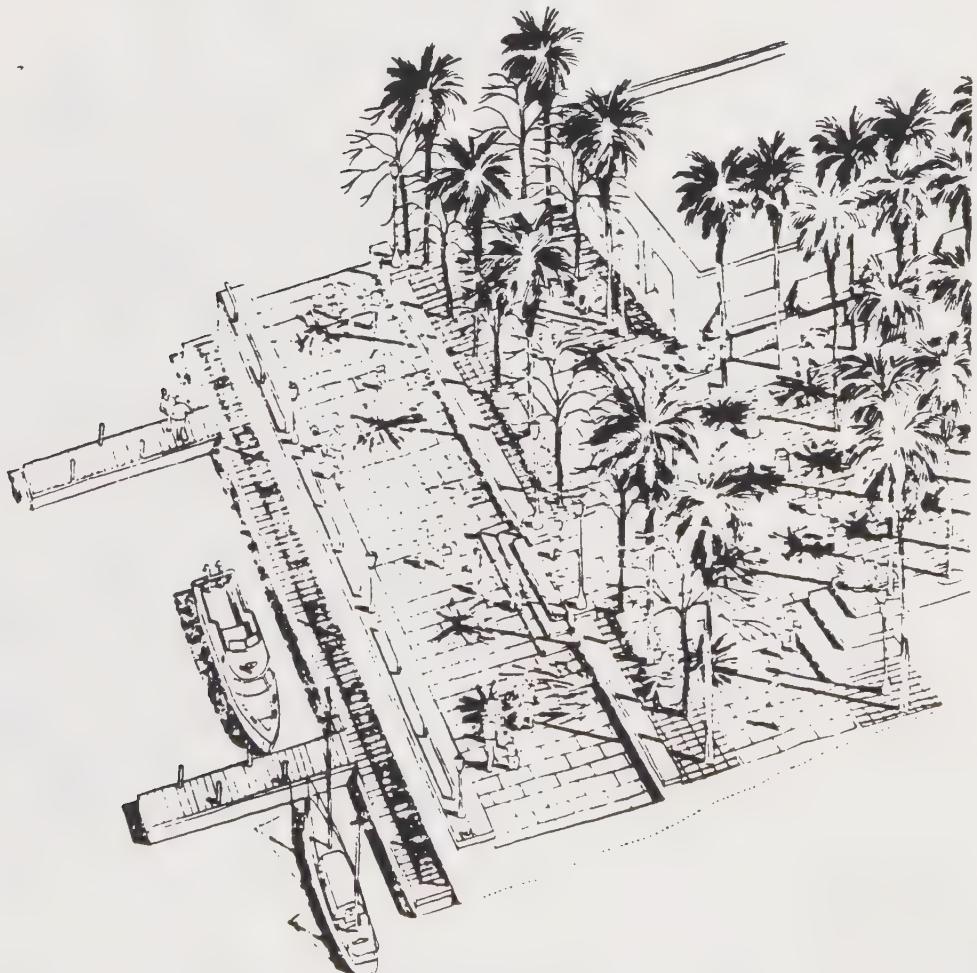
## **Design Guidelines**

The proposed guidelines focus on improving access to the waterfront and promoting consistent treatment of the waterfront edges.



- o Connect the waterfront parks and walkways along Lake Merritt, the Lake Merritt Channel and the Oakland Estuary into an integrated, continuous system. Where at-grade crossings are dangerous or prohibited, underpasses or overpasses should be provided.
- o Distinguish the waterfront edges through distinct but complementary design treatments. The Channel and Lake edges should be soft and natural, the Estuary hard-edged and urban.
- o Plant highly visible columnar trees along the Channel and Estuary edges to accentuate their presence from a distance. Poplars are recommended along the Channel and palms along the Estuary promenade.
- o Designate view corridors or easements through waterfront sites along the Estuary as extensions of existing north-south streets. Corridors should be a minimum of 50 feet wide.

- o Commercial development, where permitted, should be pedestrian-oriented and should not restrict access to the waterfront.
- o Buildings or pedestrian bridges should not encroach on designated view corridors. When development occurs, opportunities to open up views by relocating small buildings and/or their tenants should be pursued.
- o View corridors should lead to special outdoor activity areas at the Estuary waterfront promenade.
- o Avoid creating impenetrable superblocks by subdividing large areas into smaller development parcels which extend the prevailing block pattern.
- o Waterfront edges should accommodate a range of activities: walking, sitting, jogging, bicycling and viewing maritime activities.



**Short-Term  
Public Actions**

- o Proceed with current plans for improvements along Jack London Square but do not foreclose future opportunities to expand the wooden boardwalk into a generous promenade with clear and direct access on the Estuary side of all structures.
- o Adopt specific guidelines and criteria for the design of public improvements along the waterways which provide for coordination of public and private improvements.

**Long-Term  
Public Actions**

- o Make improvements to the waterfront edges incrementally through public investments tied to planned or future private developments. For example, pedestrian crossings over the railroad tracks could be integrated into adjoining structures when redevelopment occurs.

**Public Investment**

Costs to be determined when a more specific design and implementation program is developed.

### Broadway Street Treatment

Broadway continues to function as the most important link for the sub-areas of the Central District. A program of streetscape improvements alone might improve the appearance and image of the street but will not necessarily generate more pedestrian activity. The trolley is proposed as both an attraction itself, and as an incentive to attract businesses and development back to Broadway. It will function as a festive and frequent shuttle between the Kaiser Center area and Jack London Square, replacing the present shuttle bus. It would not require excessive traffic restrictions that might deter retail businesses from locating on Broadway, nor would it interfere with bus loading or preclude the designation of lanes exclusively for transit.



## Streetscape Improvements

Because the character of Broadway varies considerably along its length, consistent design standards for streetscape improvements and landscaping are crucial to unifying the street throughout the Central District. Since the architecture is so varied, encompassing the Victorian, Beaux Arts Classical, Art Deco and International Styles, care must be taken in selecting a design theme for these improvements. More important than an overpowering "new" or overtly quaint "olde" design approach is the use of high quality materials, furnishings, and significant landscaping and street tree planting. Once critical decisions regarding transit operations on Broadway are made, a detailed plan for streetscape improvements can be developed to implement the ideas presented here.

- o Provide a full range of street furniture including benches, bus shelters/stops with transit information, trash containers, public telephones, newspaper racks and coordinated street and directional signage.
- o Locate furnishings at intervals that are convenient to pedestrians without causing clutter or bottlenecks.
- o Permit street vending of food and flowers at designated locations once guidelines and a permit process are adopted.



Bench - Side View

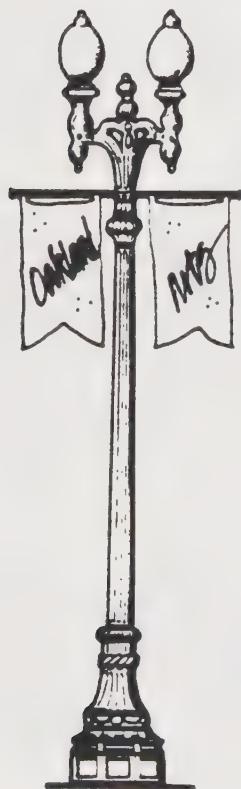


Bench - Front View



Trash Container

- Plant large-growing deciduous canopy trees, spaced as closely as possible. Planting should follow guidelines outlined in the Street Tree Plan which follows. If the trolley is built, trees should be planted in double rows on each side rather than in the median.
- Some, but not all, streetscape elements should be unique to Broadway. Paving and decorative tree grates could be specially designed while lighting and the street tree species could continue onto other major streets.
- Promote the display of colorful flags or banners to announce special events or seasons and provide fixtures on which to display them.
- Integrate special effects lighting into streetscape improvements, especially in entertainment districts, key activity centers and at gateways. For example, neon could be used to highlight BART entrances and gateway pylons or simply as a luminous sculptural element. Another example is the special lighting planned for the Jack London Square Area.



Existing Light Pole with  
Original Lamps Restored



Custom Tree Grate

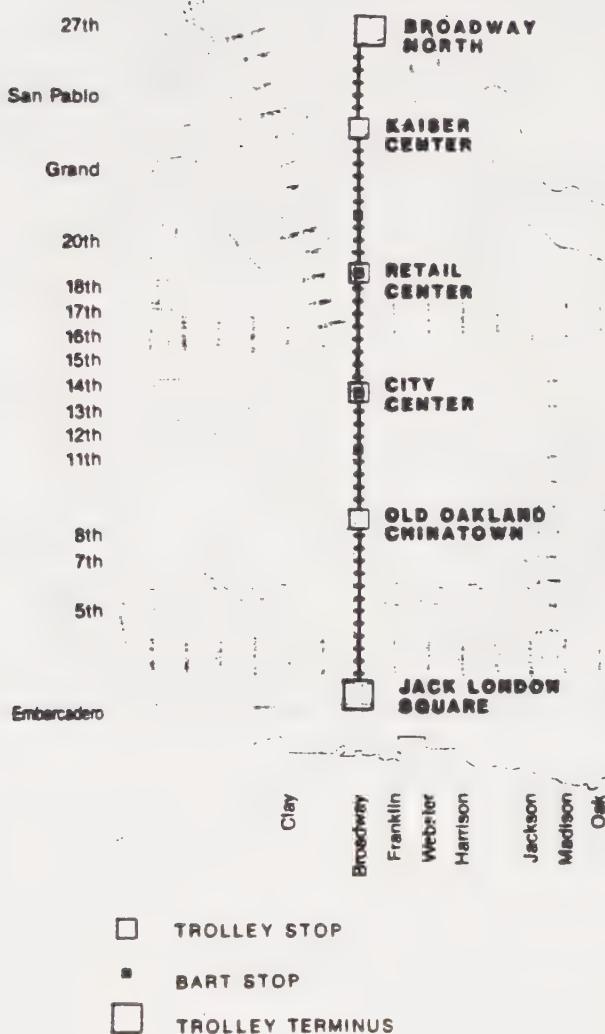
## Trolley

The following conceptual drawings illustrate how the proposed trolley system might work. The key elements of the system include the following:

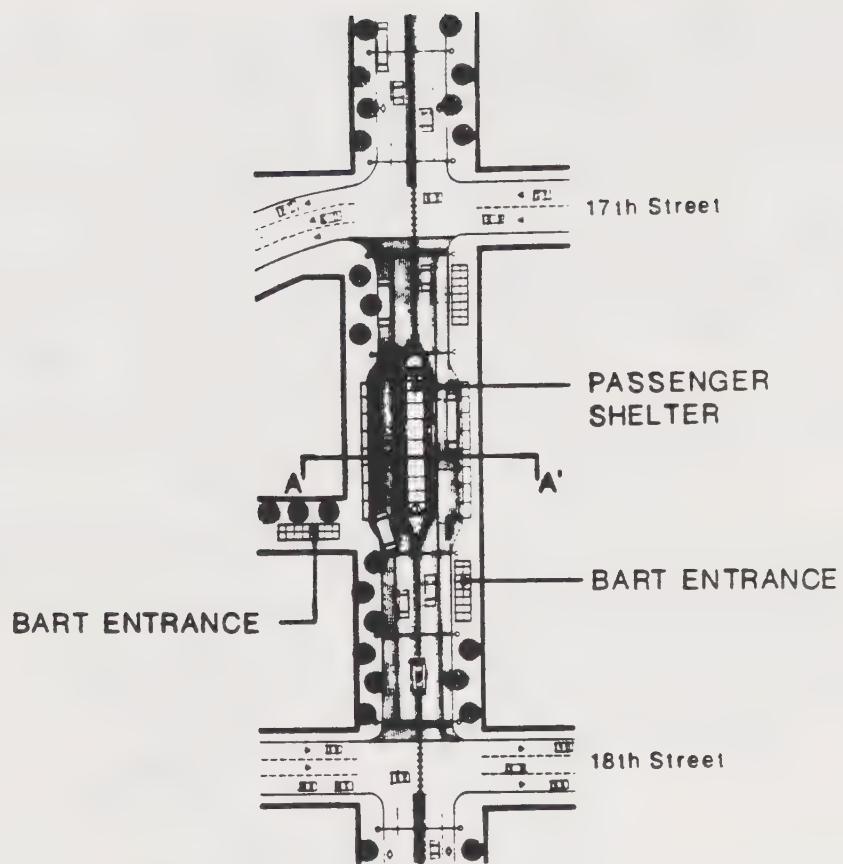
- o a single rail line down the center of Broadway to minimize roadway space required;
- o two bypass points with a double rail to allow opposing trolleys to pass;
- o median trolley stops located at major destinations along Broadway; and
- o passenger shelters at bypass and terminal locations.

**Broadway Trolley Line**

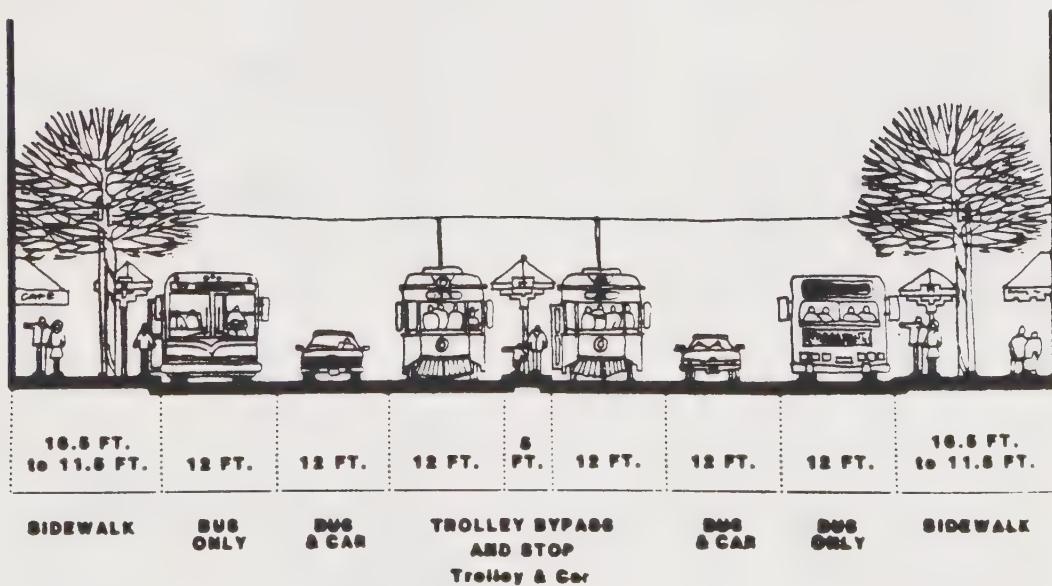
Figure 10



Plan



Section A-A'



Broadway Trolley - Typical Bypass

Figure 11

## **Short-Term Public Actions**

- o Complete the transit study now in progress.
- o Determine what, if any, long-range implications the recommended transit policies or programs may have for Broadway.
- o Study the feasibility of constructing the proposed trolley line in light of these implications. If it appears feasible, explore possible funding mechanisms including formation of an assessment district for all improvements to Broadway.
- o Proceed with the development of a design plan for streetscape improvements along Broadway according to the guidelines recommended here.

## Long-Term Public Action

- o Install improvements according to the final design plan.

## Public Investment

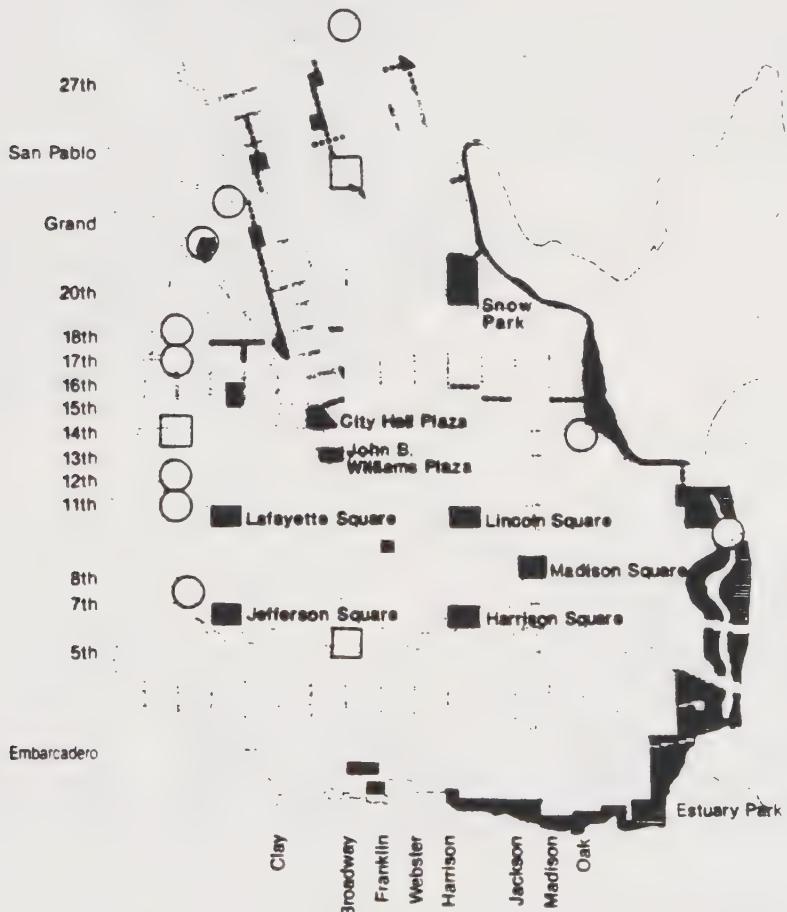
- o Broadway Trolley Mechanical Equipment \$ 9,000,000  
Station Improvements \$ 5,000,000  
(Paving, furniture, signage) \$ 4,000,000
- o Broadway Streetscape \$ 9,000,000  
(Sidewalk widening, street  
tree planting, bus shelters  
street furniture & signage)

## Street Tree Planting and Open Space Improvements

The Central District's open space system includes a variety of elements that serve different roles. Some, like the Lake Merritt edge, are traditional park spaces which are well recognized, used and maintained. Others, like the freeway corridors, streets and gateways, go unrecognized as elements of the open space system. Despite the number of individually beautiful landscape features, there is no visual or physical unity to the system. The Estuary waterfront is visually isolated and, like the Lake Merritt Channel, lacks adequate public improvements to make an uninterrupted walk along the waterways possible.

### Open Space System

Figure 12



### Legend

[Solid dark square]	Water-Related Parks
[Solid dark rectangle]	Neighborhood Parks
[Solid dark triangle]	Plazas
[Open square with circle]	Planted Gateways
[Open square]	Constructed Gateways
[Dashed line]	Pedestrian Ways & Crossings

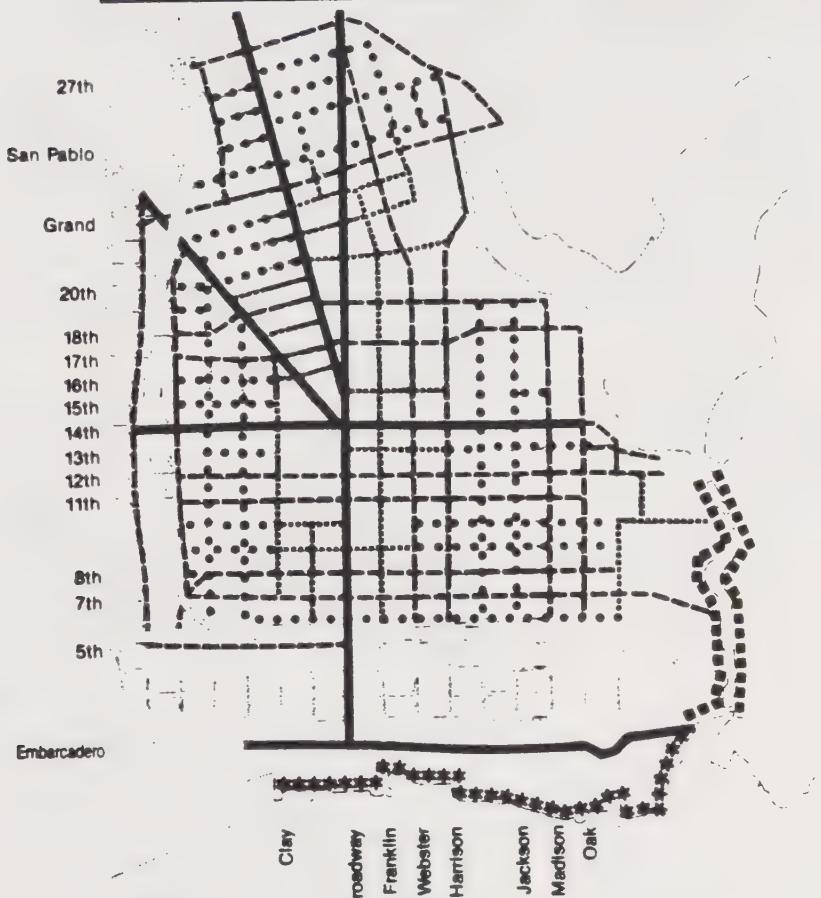
By linking the isolated open spaces of the Central District visually with a canopy of green and physically with connections for pedestrians, both the image and livability of the downtown will be improved. To achieve this goal, a comprehensive open space system improvement program is recommended, including accelerated street tree planting and improved maintenance; streetscape design standards relating to street width and the character of adjoining development; improvement of Central District gateways; improvements to existing parks and plazas and development of new neighborhoods parks, plazas and pedestrian ways.

#### Street Tree Planting

The planting concept is intended to set the Central District apart as the heart of the City: to make clear which streets function as principal movement corridors; to emphasize ceremonial spaces or places of pedestrian activity; to enhance and distinguish residential neighborhoods; and to improve street corridors as vital open spaces. Avoiding random alterations of tree species is a fundamental principle of the plan.

On a general level, the plan distinguishes between commercial and residential streets by calling for deciduous trees along the former and evergreen along the latter. Those commercial streets with similar transportation functions or land uses would be planted with similar deciduous species to distinguish between Ceremonial Streets such as Broadway and Major Auto Streets such as 17th and 18th. On Neighborhood Streets, species could vary from one neighborhood to the next as long as specific evergreen trees are adopted for each neighborhood. The waterfront edges would be planted with highly visible columnar trees - deciduous along the Channel and evergreen along the Estuary.

## Street Tree Planting Plan      Figure 13



### Legend

Deciduous Trees	Broad Leaf Evergreen Trees
— Ceremonial Streets	••• Neighborhood Streets
- - - Major Auto Streets	Columnar Trees
----- Commercial Streets	***** Estuary Edge
	===== Channel Edge

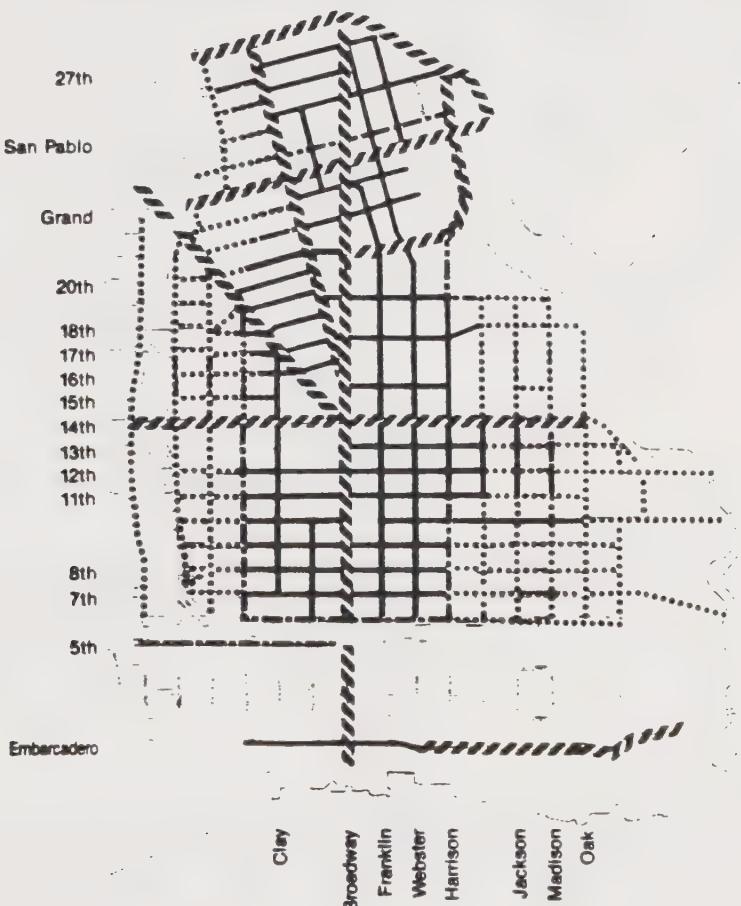
### Planting Guidelines

- o Develop a list of approved species for street tree planting within the Central District which complies with all of the guidelines listed here. Give consideration to existing trees when specifying species for specific streets.
- o Plant only large scale species which are specimen size at maturity.

- o Space trees as closely as practical.
- o Make sure that trees are properly maintained through adequate watering, fertilizing and judicious pruning. Trees should not be overpruned simply to cut down on periodic maintenance.
- o Plant a single species of tree uniformly along each designated Commercial Street. Do not mix or alternate species or allow private developers to install a different species.
- o Large scale developments may use different planting schemes within but should plant the designated street tree on public streets which surround them.
- o Plant all Ceremonial, Commercial and Major Auto Streets with large scale deciduous trees.
- o Use a single species of tree for all Ceremonial Streets. Sycamore, the tree currently planted along Broadway, is recommended.
- o Each pair of streets which form a one-way couplet should be planted with a single species of deciduous tree. The tree selected may differ from one couplet to the next. Recommended trees include white alder and sweet gum.
- o A single deciduous species should be planted on all designated Commercial Streets. Tulip trees are recommended for this purpose.
- o Plant broad-leaf evergreen trees along all designated Neighborhood Streets. The species may change from one neighborhood to the next, or may be different on north-south streets from east-west streets, but should not alternate along short lengths or within blocks.
- o Tall columnar trees should be planted along the Channel and Estuary edges for high visibility. Deciduous Italian poplars are recommended for the Channel Edge to supplement the plantings that already exist there. Mexican Fan Palms are recommended for the Estuary edge because of their evergreen character and symbolic association with waterfronts. These may be supplemented with planting of deciduous shade trees where desirable.

To supplement the planting guidelines, Central District streets have been classified according to their roles, physical dimensions, and the physical qualities and uses of the buildings which line them. The streets fall into four categories: Boulevards - Wide Streets where median planting may be possible; Streets Without Setbacks where planting is limited to street trees; Trees With Setbacks where planting can occur on adjoining property; and Transitional Streets where building setbacks occur on only one side. These four street types are identified on the Streetscape Classification map.

**Streetscape Classification** Figure 14



#### Legend

- Boulevards - Streets with Median Planting
- Streets without Setbacks
- Streets with Setbacks
- - - Transitional Streets - Setbacks on One Side Only

## Open Space Improvements

### Gateways

Two types of gateways are proposed at major intersections to formalize and accentuate entry into and departure from the Central District. Constructed or architectural gates are proposed as brackets on Broadway. A freestanding arch or paired columns on Broadway at West Grand could act as the northern passage. To the south, the Nimitz freeway overpass structure should be designed as a portal to Jack London Square going south and to downtown going north, as the sketch below illustrates. These portal treatments would frame the intensely developed portion of Broadway and provide landmarks for circulation on the major boulevard. A third constructed portal is to be located on 14th Street and Castro. This major ceremonial entry into the City Hall precinct and on the Lake should be made a memorable passage and obvious edge of the Central District.

The second type of gateway proposed is planted. Using trees and other plantings, suitable entry features should be designed at the following access points into the Central District, to accentuate the edges and provide a welcoming character. Planted gateways are recommended for:

- o Castro at 7th/8th, 11th/12th and 17th/18th Streets
- o San Pablo at West Grand
- o Northgate at 23rd Street
- o Broadway at 27th Street
- o 14th at Oak Street
- o 10th Street at Channel Park



Potential Gateway at Nimitz Overpass  
Figure 15

## **Neighborhood Parks Revitalization**

The five existing historic squares symmetrically arranged around Broadway are block size, discreet, heavily landscaped parks. While their location and size are adequate, improvements are suggested.

- Lafayette Square would benefit most from a change in adjacent uses. As the park closest to City Center, it would potentially attract the most diverse population. Because of this location, its design should address neighborhood uses as well as appeal to downtown workers, retaining its openness and green character.
- Jefferson Square has been compromised by the intrusion of the freeway interchange of Highways 980 and 17. Its significance and design integrity as a historic square have been so diminished that it is recommended this site be redesigned as a larger playing field for office and neighborhood athletic games.
- Harrison Square, although adjacent to Highway 17, is potentially a viable park space. Currently, however, it needs to be redesigned to invite and accommodate everyday neighborhood uses.
- Madison and Lincoln Squares are adequate, though minor redesign needs should be investigated to improve the pedestrian way through Lincoln Square on the Alice Street right-of-way.

## **Pedestrian Connections**

In order to make the entire system physically continuous, several other connections should be completed or improved.

- A grade crossing is needed at 12th Street to Channel Park from the Lake. Here the poplars should form an invitational access to the Channel, suggesting the continuity of the open space from the Lake.
- Other connections needed to the Lake include grade crossings at Kaiser Center across Harrison at 21st Street and from Snow Park across Lakeside Drive.

- o Along the Channel, improved crossings are needed at 7th and 10th Streets. To physically complete this system, the Channel Park must be extended beneath Highway 17 and south to Estuary Park with access either over or under the railroad tracks.

#### Public Actions

Of all the recommendations relating to the open space system, the highest priority should be placed on developing a greatly expanded program of street tree planting and maintenance to be coordinated with the improvement of Central District gateways. Other streetscape improvements such as lighting, signage and installation of street furniture could be phased in over time. Maintenance of and minor improvements to existing parks and plazas should be ongoing. Major improvements such as those recommended for City Hall Plaza and Broadway require careful planning and long-term implementation. Other long-term improvements include completion and linkage of the waterfront parks and promenade and the development of new neighborhood parks, plazas and pedestrian ways.

The following actions should be taken immediately:

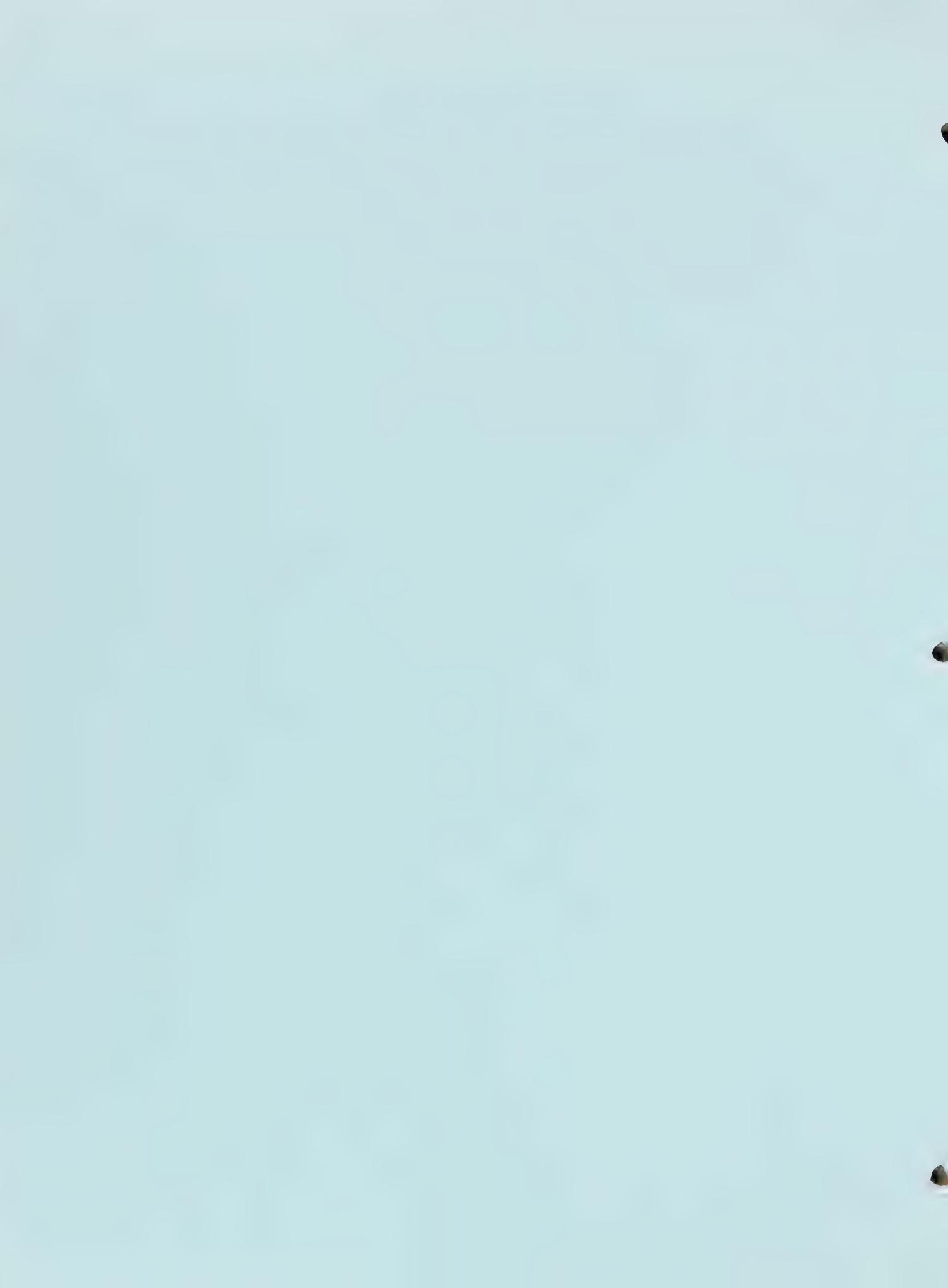
- o Increase annual allocation of funds for both street tree planting and maintenance.
- o Require developers to install street trees when new projects are built. If appropriate trees have already been planted, the developer should plant a like number in another high priority area targeted by the plan.
- o Promote community involvement in selection, planting and maintenance of trees in residential neighborhoods within the guidelines provided by this plan.
- o Develop a phasing program for street planting according to the sequence illustrated by the following diagrams. The streets shown should be the focus of public expenditures in each five-year period.

Public Investment

The planting program must be accompanied by an adequately funded maintenance program. To be successful, trees must be planted properly and maintained by watering, pruning, and fertilizing. The City must be prepared to fund this ongoing aspect and require developers and merchants to contribute. Maintenance operations are critically important and require commitment. High quality standards for pruning, particularly, must be established and followed.

The capital fund established to finance tree purchase and installation should also fund annual pruning, periodic sidewalk repair, and irrigation inspections. The cost of this program is estimated to be one man per 1,000 trees plus \$400 per tree for incidental repair.





# Managing Growth

Oakland does not have a highly structured or well-defined Central District. With three notable exceptions, there are few areas where a single function or land use dominates. These exceptions are:

1. office and retail uses along the Broadway spine.
2. residential and civic uses along the lakeshore and Lake Merritt channel.
3. industrial uses along the south side of Highway 17.

The major new patterns to emerge over the past 20 years have been those that would further fragment the structure of the Central District, including:

- o expansion of office uses north and eastward of Broadway around the Snow Park and around the Kaiser Center development.
- o disruption and isolation of older residential neighborhoods west of Broadway due to construction of I-980.
- o transition of the Embarcadero from wholesale/industrial to office and retail uses.

While the current pattern of land use provides a great deal of variety throughout the Central District, it does not focus on any one activity to the degree that a section of downtown is easily recognizable as the "office hub," "shopping area," or "entertainment zone."

Consequently, the development pattern does not present a strong image as to the structure of downtown and how

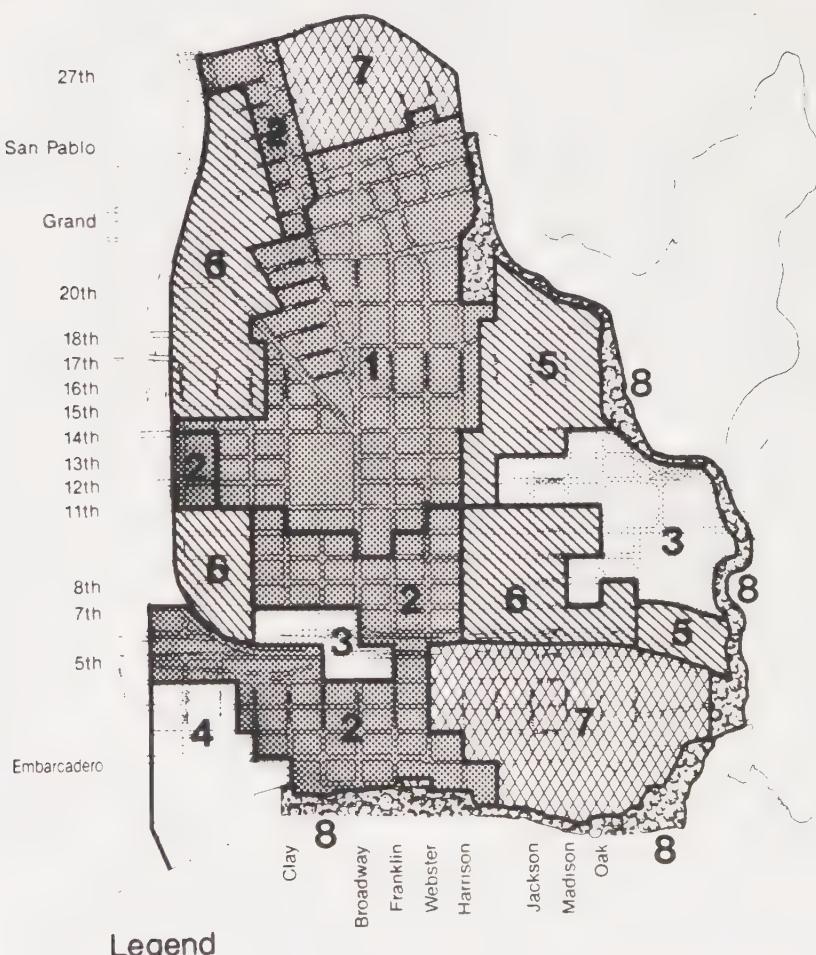
the various activities fit together. Moreover, the distribution of different uses throughout the Central District does not enable the maximum amount of interplay that should occur between the different components. For example, the highly attractive restaurants at Jack London Square are well beyond walking distance for office workers in the Snow Park Area. The Alice Hotel, Paramount or Laney College Theaters are located many blocks from night time restaurant areas in Old Town or Jack London Square, thereby discouraging theater-goers from walking to a late night meal after a performance.

## Land Use Framework

The Central District should be strengthened by enacting a land use framework that has four essential components

- o A compact, high-density commercial office and retail hub stretching along the Broadway spine from Grand Avenue to the Hyatt Hotel at 11th Street. A commercial storefront network of retail shops, restaurants and personal services located on the groundfloor within this hub will help enliven the pedestrian atmosphere.
- o A ring of residential development surrounding the commercial core that helps reaffirm the 24-hour character of the Central District.

Future Land Use Framework Figure 16



Legend

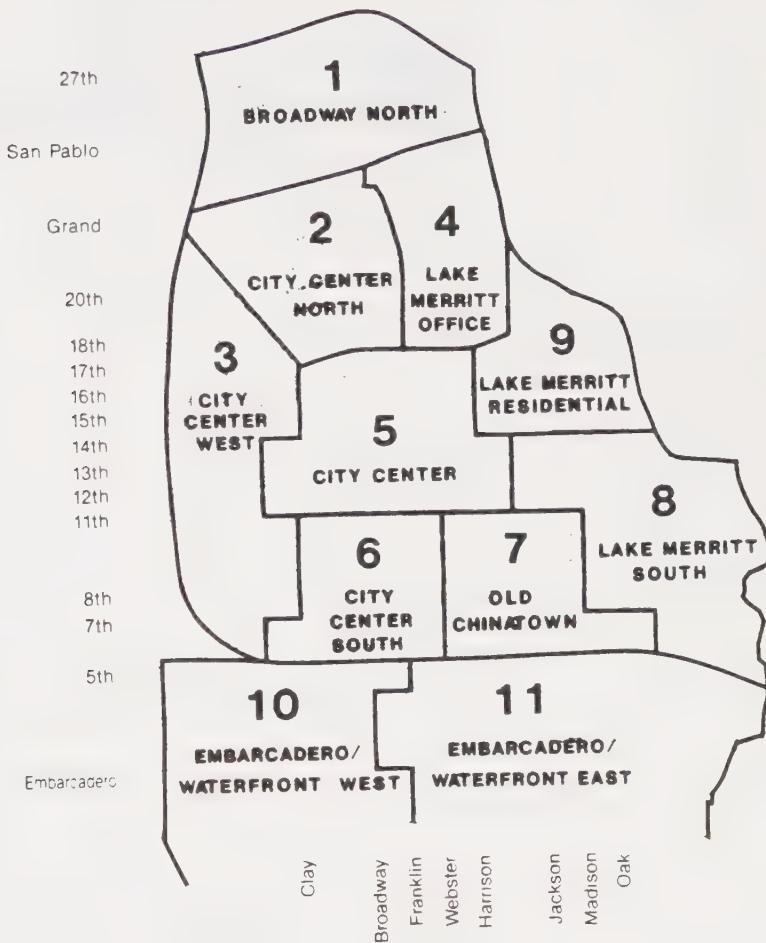
1	High Intensity Commercial	5	High Density Housing
2	Specialty/Support Commercial	6	Medium-High Density Housing
3	Institutional/Government	7	Mixed Use/High Density Housing
4	Manufacturing/Transportation	8	Park/Recreation

- o A continued concentration of governmental and cultural buildings in the Civic Center area at the south end of Lake Merritt.
- o Shipping-related industries in the western sections of the Embarcadero and Waterfront.

## Urban Form and Development Concepts

The Central District is made up of 11 sub-areas, each having distinct characteristics. The land use and urban design policies will help preserve the unique qualities of some of these areas while transforming other sub-areas into new urban neighborhoods.

Central District Sub-Areas Figure 17



### Broadway North

This northern gateway to the Central District provides a transition in scale into the high intensity commercial core to the south. Heights are predominately low to mid-rise and increase gradually from west to east to reflect and reinforce existing development.

patterns in the San Pablo/Telegraph neighborhoods and taller structures along the Lake Merritt edge.



#### **City Center North**

Develop this sub-area with active, intensive uses to establish its role as a commercial pivot between the Lake Merritt Office district and City Center and as the



connecting link in the residential ring around the Central District. Because development is sparse and discontinuous, major new commercial projects, including the proposed Retail Center, are required to help the area serve as a pivot. Pedestrian-oriented ground floor uses in all new commercial projects, together with streetscape improvements, will reinforce the ceremonial importance of the major boulevards: Broadway, Telegraph, and San Pablo. The rich architectural resources within this area should be retained.

### **City Center West**

Re-establish the western edge of the Central District as a series of linked residential neighborhoods, each provided with services, amenities and recreational open space. Historic Victorian residences provide housing to form the core of revitalized neighborhoods. Infill and new development of low to mid-rise structures will provide a transition in scale from surrounding areas to the high-rise core. As important gateways into the Central District, these renewed neighborhoods should be the focus of public investment in housing as well as amenities.



### **Lake Merritt Office**

Establish Kaiser Center as the northern anchor of the high intensity commercial core with a clear definition and transition in scale at the southern boundary. Use Broadway as the major link to the core's southern anchor, City Center.



### **City Center**

The high intensity commercial core continues south along Broadway but shifts its center of gravity and visibility on the skyline westward to link the Lake Merritt and City Center office concentrations. The area around City Hall Plaza should be treated as a special pedestrian district. The Franklin-Harrison Corridor serves as a transitional area between the

commercial core along the west and the residential neighborhood to the east. The importance of the area's architectural resources should be recognized through landmarks designation and appropriate height and design controls for new development.



### **City Center South**

This low to mid-rise area functions as a transitional zone between the high-rise commercial core along its northern blocks and the low-rise zone of the Embarcadero and Waterfront to the south. It is also an important gateway into the Central District from the Nimitz Freeway.



### Old Chinatown

Predominantly low to mid-rise structures form a transition into the core area while retaining views to familiar landmarks and reinforcing the human-scaled environment and historic character of the existing residential neighborhood.



### **Lake Merritt South**

Retain the low-scale and open views along the eastern edge to accentuate the boundary and gateway to the Central District. Allow intensive residential development and taller buildings along 14th Street to form a gateway to the core area. Maintain the low to mid-rise character and landscaped setback areas which characterize the Civic Center while permitting carefully sited mid-rise apartments north and south of the Nimitz Freeway.



### **Lake Merritt Residential**

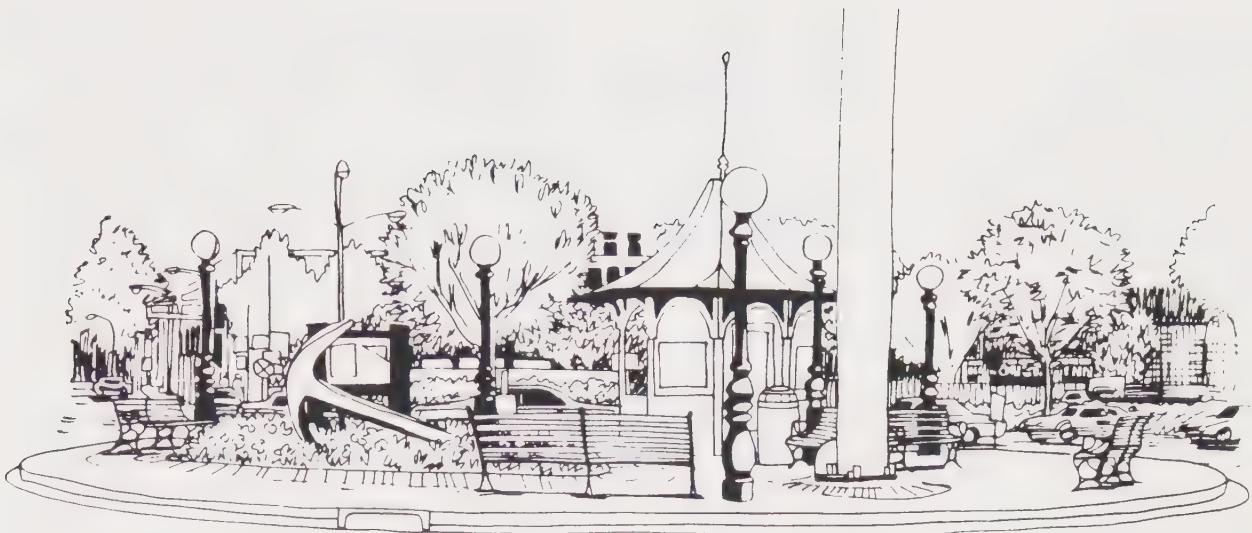
The wall of tall buildings which defines the Lake Merritt edge is relieved by the greenery of the lakeside parks coupled with intensive foreground plantings adjacent to buildings. High-rise apartment buildings along 14th Street will provide a transition in scale between the Civic Center at the Lake's edge and the taller office buildings of the commercial core.

The many architecturally significant buildings, both residential and civic, should be retained, and infill development compatible in scale and design should be encouraged.



#### **Embarcadero/Waterfront West**

The low-rise scale of lower Broadway is maintained to and long the Waterfront, except at the Nimitz Freeway which is bracketed by mid-rise civic buildings. The remaining commercial area could accommodate structures somewhat taller than those lining Broadway and the waterfront as long as a pedestrian scale with access to sunlight is maintained. A continuous waterfront pedestrian promenade will eventually connect a series of public parks and plazas stretching from the Clay Street Pier to Estuary Park.



#### **Embarcadero/Waterfront East**

The existing low-rise scale is maintained along lower Broadway, throughout the Produce Market Area and along the waterfront, preserving the pedestrian scale and potential for water views from sites further inland. Mid-rise structures would be permitted between the Nimitz Freeway and the Embarcadero where mixed-use/residential development is encouraged.



## **Land Use, Zoning and Urban Design Policies**

The attraction and development strategies outlined in the CDDP require a broad set of design and public policy tools to be achieved. Specific policies relating to land use, building height, form, placement and design are needed. The land use framework establishes the basis for new and revised zoning regulations. Policies relating to design will help protect and enhance important views, to minimize the impact of new development in historic or environmentally sensitive areas, to maintain sunlight in plazas along important pedestrian-oriented streets and to provide smooth transitions between areas where land uses and/or development intensities differ. The policies proposed to achieve these purposes include the following:

- o changes to existing zoning district boundaries and the introduction of a new mixed-use zoning classification;
- o inclusion of ground floor commercial uses on designated streets;
- o designation of conservation districts;
- o regulation of building heights by location;
- o institution of special building setback requirements along designated streets;
- o restructuring of the current design review combining districts; and
- o adoption of specific design guidelines for buildings and open space improvements.

These are summarized on the following pages and are based on the land use framework as well as the urban form and development concepts for each Central District Sub-Area described above. The regulatory measures outlined in this section should be enacted by the City in tandem with the major projects and public

investments presented previously to manage growth in the Central District.

**Policy**

**The location of high-intensity office development should be focused in the Central District to create a compact downtown core along the Broadway spine.**

**Implementing Actions**

- Increase the Central Core Commercial Zone (C-55) on the east side of Telegraph between 18th and 21st.
- Recognize existing approvals of major office/mixed-use developments within this area including the Kaiser Center, City Center and Chinatown Redevelopment projects.
- Eliminate the Central Core Commercial Zone (C-55) in the Lake Merritt Residential and Lake Merritt South areas.
- Eliminate the C-51 zone designation, which permits a minimum floor area ratio of 7:1, in the residential areas that border the Central Core Commerical Zone -- City Center West, City Center South, City Center North, Lake Merritt Residential, and Old Chinatown

**Policy**

**High-density office development should be guided in a manner that does not result in undesirable environmental, social or economic consequences that cannot be minimized by other policies and programs.**

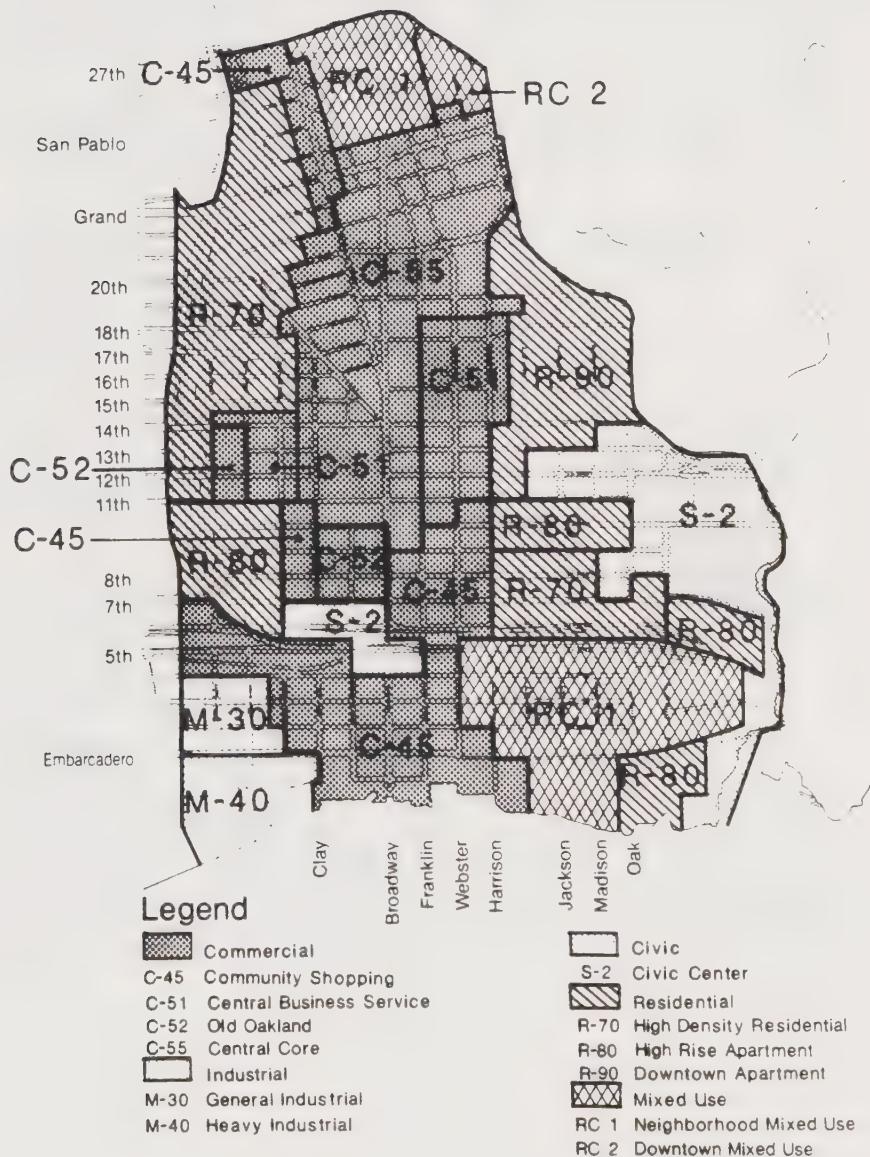
**Implementing Actions**

- Place a 20:1 floor-area ratio or 600,000 square foot, whichever is less, limitation on a single building within the C-55 zone. Larger buildings could be permitted, based on a conditional use permit review procedure, if they satisfied certain conditions. These conditions would include:
  - 50% of the building is occupied by a major long-term tenant. Such a provision helps ensure that centralized services, such as transit brokering, can work more effectively in reducing negative consequences of the building.

- The building owner and/or tenants will enact measures or make financial payments that remedy any overloading of the transit, street and sewer network.
- The design of the building satisfied design guidelines outline in the Central District Development Program (see following sections).

## Proposed Zoning

Figure 18



- The preservation of historic or architecturally significant buildings that adjoin and would be negatively affected by the project's height, appearance or design.
- o Change the Central Core Commercial Zone (C-55) between Franklin and Harrison to Central Core Service Commercial (C-51).

Office developers could increase the size of their projects by up to 50% if they acquire and preserve adjacent buildings that are of historic or architectural merit. The exact amount of the bonus should depend on the size of the floor area that could have been built if the historic building were not preserved. The office developers who desire to use this 50% would be required to comply with the conditional use permit procedure and design the new building in a manner that complemented the design of the adjacent historic building.

**Policy**

**Housing in existing neighborhoods should be preserved by adopting residential zoning that encourages infill housing development of an appropriate scale and type.**

**Implementing Actions**

- o Amend the zoning in City Center North and West sub-areas from Central Business Service Commercial (C-51) along the Grove/Shafter to Medium-High to High-Density Residential (R-70 and 80).
- o Extend the Downtown Apartment Zone (R-90) in the Lake Merritt Residential area to sections of the Lake Merritt South area.
- o Extend the boundaries of the High-Density Residential Zone in the Old Chinatown/Lake Merritt South and lower the intensity from R-80 to R-70 in certain areas to be more compatible with the scale of the existing neighborhood and historic buildings.

**Policy**

**New high density housing, including that built in mixed-use developments, should be promoted in locations near the high-intensity commercial core and where it does not conflict with the character of the existing neighborhoods.**

**Implementing Actions**

- o Create two new mixed-use zones that permit high-density residential and commercial support services (RC-1 and RC-2 zones).

RC-2 should permit a maximum allowable residential density of 290 units per acre, similar to the existing R-90 zoning. The maximum commercial floor-area ratio for that area should be 3:1. Office-type uses should not exceed 15,000 square feet unless the project contains two square feet of residential for every one square foot of commercial use.

RC-1 should permit a maximum of 145 residential units per acre similar to the existing R-80 zone. The maximum commercial floor-area ratio should be 3:1. Office-type uses should not exceed 15,000 square feet unless the project contains one square foot of residential for every one square foot of commercial.

- o Amend the S-2 zone to R-80 on the Laney College parking lot to encourage housing at that site.

#### **Policy**

**The City should strengthen and preserve areas adjacent to the Central Office Core that provide specialty retail and entertainment.**

#### **Implementing Actions**

- o Rezone the area on the west side of Old Oakland, which includes the Housewives Market, to C-45 to ensure compatibility with nearby development.
- o Expand the Community Shopping Commercial Zone (C-45) in the Embarcadero area to encourage more retail, housing, entertainment and office-support commercial in that location.

## Policy

**Ground-floor commercial uses should be required on designated Central District streets to attract more concentrated levels of pedestrian activities.**

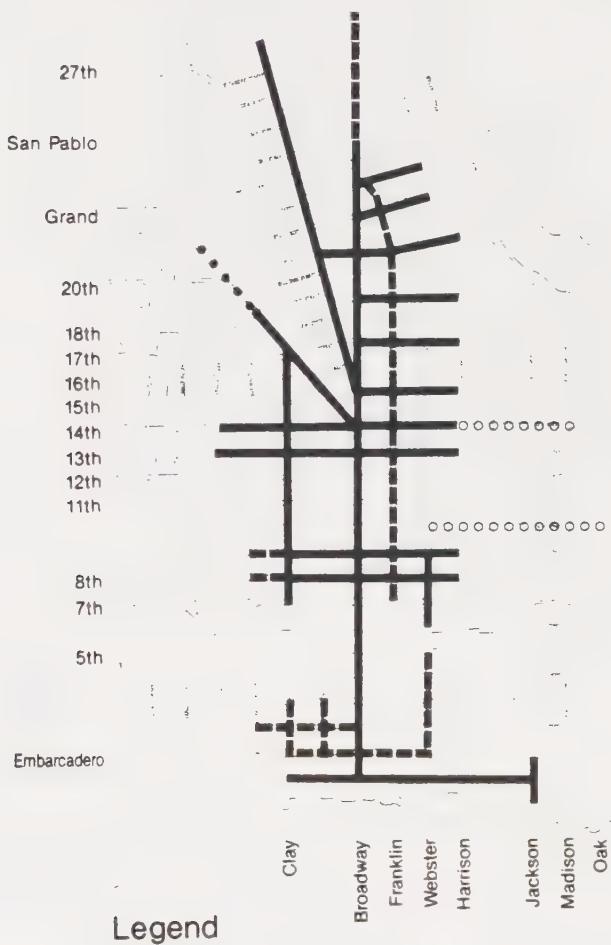
## Implementing Action

- Adopt the designation of certain Central District streets as Commercial Service Streets. Those streets designated as "Continuous" would be required to have selected high-volume pedestrian commercial uses on their ground-floor level.

Those streets designated "minimum 50%" should have high-volume pedestrian commercial uses on the ground-level for half of their street frontage.

## Designated Commercial Streets

Figure 19



### Legend

#### Commercial Service Streets

- Commercial Uses Continuous at Ground Floor Frontage
- - - Commercial Uses Minimum 50% of Ground Floor Frontage

#### Neighborhood Service Streets

- • • Commercial Uses Continuous at Ground Floor Frontage
- ○ ○ Commercial Uses Minimum 50% of Ground Floor Frontage

**Policy**

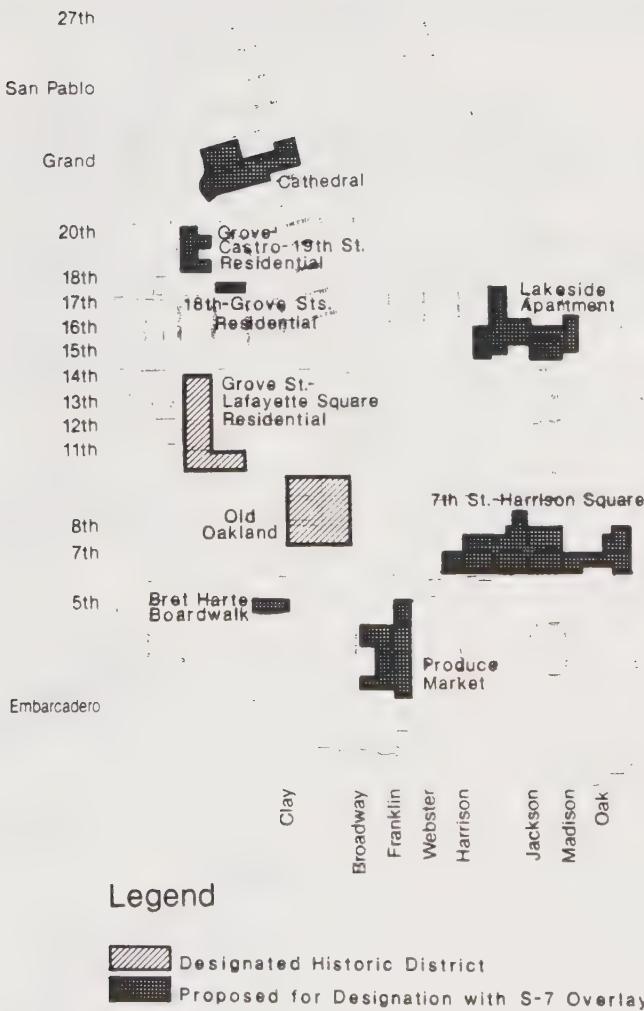
**Significant historic resources and special districts should be preserved to maintain a sense of the past and to provide the variety and character which these exceptional buildings lend to the image of the City.**

**Implementing Actions**

- Accelerate the program of landmarks designation at the local, state or national level, particularly for unique commercial buildings in areas subject to intense development pressures.
- Protect special districts through the special zoning designations currently in use. Several new downtown special districts should be approved as indicated in the figure below.

## Conservation Districts

Figure 20



## Policy

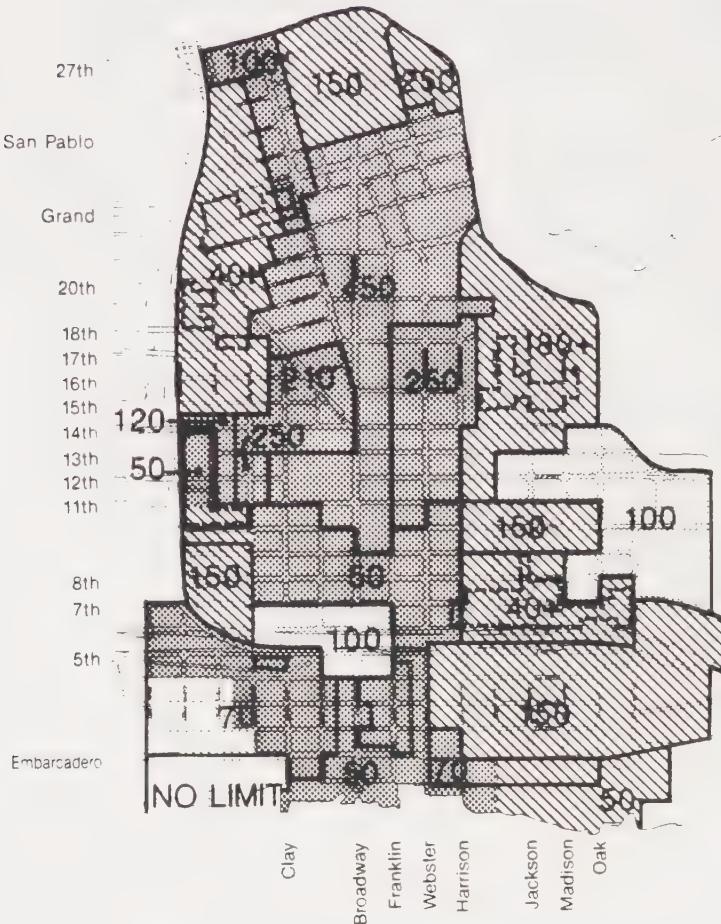
**Building heights and setbacks should be regulated to help clarify city form, to maintain sunlight, to protect views of special landmarks, and to distinguish the special character and function of sub-areas within the Central District.**

## Implementing Actions

- o Adopt an overlay zoning regulation that establishes building height limits indicated in the Proposed Height Limits diagram.

**Proposed Height Limits**

**Figure 21**



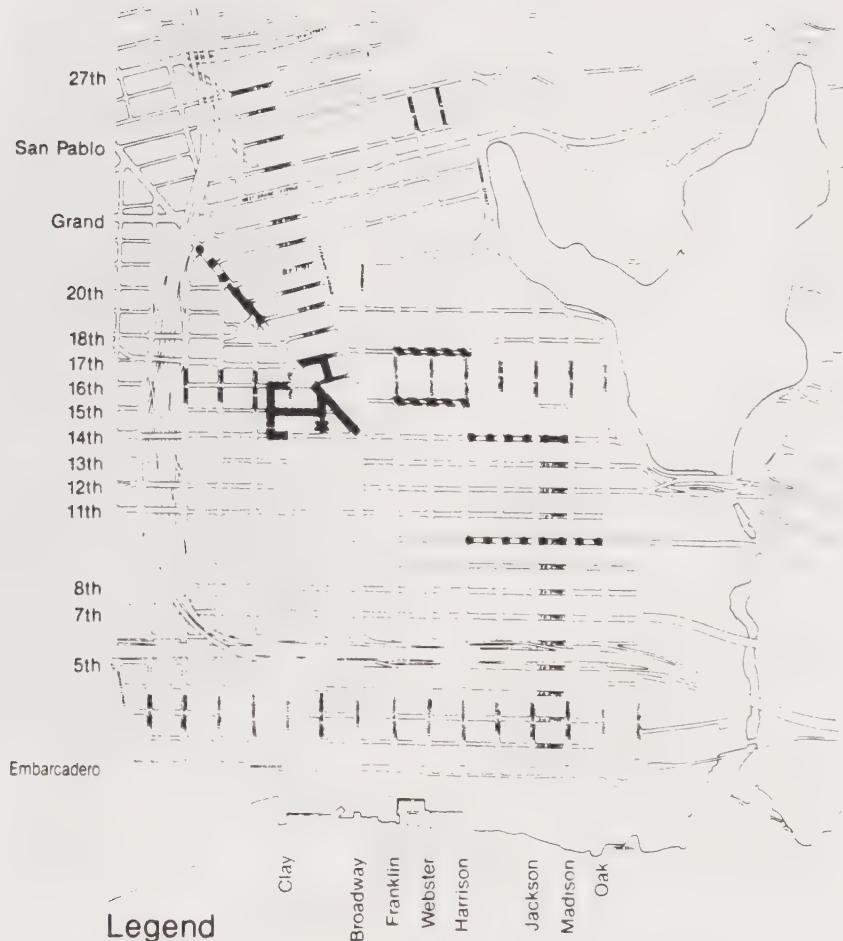
**Legend**

[Commercial Districts symbol]	Commercial Districts	[Height District Boundary symbol]	Height District Boundary
[Civic/Institutional symbol]	Civic/Institutional	[000 symbol]	000 Height designated in feet
[Residential/Mixed Use symbol]	Residential/Mixed Use	[Historic District Boundary symbol]	Historic District Boundary
[Industrial symbol]	Industrial		

- Waive building front lot line setbacks along designated neighborhood streets to promote visual continuity.
- Require special upper floor setbacks in the City Hall Plaza district and along 15th and 17th Street to ensure sunlight in those special pedestrian locations as indicated below.

## Special Setback Requirements

Figure 22



### Legend

- • • No Setback Required on Residential Street
- \*\*\* Setback Required on Commercial Street
- ~ ~ ~ Setback Required Above 40 Feet
- ~~~~~ Setback Required Above 50 Feet
- — — Setback Required Above 100 Feet

## **Policy**

**Design of new development should be reviewed based on a comprehensive set of urban design guidelines for the Central District.**

- o Adopt the design guidelines recommended by the CDDP for Special Development Projects or districts, commercial buildings and storefronts, residential buildings, and open space improvements to supplement existing design criteria for high-density housing, open parking lots and S-7 Preservation Combining Zones.
- o Require design review for projects according to location: along designated Commercial streets; in Special Development Project Areas; and in all designated historic districts.
- o Require design review for projects according to size: for any commercial building over 100,000 square feet in the C-51 or C-55 zoning districts; for any building over 25,000 square feet in other commercial, civic or industrial zones; and for any residential building of five or more units.
- o Revise the zoning map and regulations to eliminate the use of the S-4 and S-8 combining districts and adopt the criteria outlined above.

## Transportation Plan

Under existing conditions, the transportation network in the Oakland Central District operates at a relatively high level of service. During the evening peak hour, however, the primary surface street access corridors to the I-580 and I-880 freeways experience congestion. The most significant congestion occurs at the Grand Avenue and 27th Street intersections along the Harrison Street corridor to I-580, at 5th and Broadway near the Broadway Street on-ramp to Highway 17, and at the 5th and Oak Streets intersection at the foot of the Oak Street on-ramp to Highway 17. With congestion already occurring, limited capacity is available in these corridors to serve new development.

If the rate of office development and absorption doubled over the next 15 years, evening commuter traffic would grow by as much as 50%. It would be substantially lower if the present employment growth rate continues into the future. The effect of a doubling of the growth rate would result in an extremely poor service level ("F") at many locations assuming the existing street system. The most significant locations are similar to existing congestion points. This is due in part to the fact that the proposed land use patterns are continuations of existing growth patterns.

The I-980 freeway, which is currently underused, provides an opportunity for balancing access in the downtown and absorbing some of the new vehicle travel demand. The completion of I-980 has provided additional capacity approaching and leaving the Central District, as well as a new bypass for regional through-trips.

The framework for traffic management in the downtown, based on these conditions, is a Transportation Plan emphasizing east-west traffic access for regional trips to downtown Oakland. The intent is to take full advantage of currently underutilized or future expanded capacity on I-980 for these regional trips, thereby minimizing the local/regional conflicts on the I-580 access corridors, the Alameda tubes, and the I-880 access points.

Two other major traffic management policies are suggested to minimize the traffic impacts of future development. The parking policies recommend that only a portion of the future demand for commuter or all-day

parking be accommodated and that greater emphasis be placed on short-term parking needs. Second, the City is urged to cooperate with AC Transit and BART, via a Transportation Systems Management (TSM) Coordinator, to encourage future employees within the Central District to ride transit, carpool or adopt staggered work hour programs to reduce downtown evening peak hour traffic congestion. The implementation of these policies would reduce the amount of future peak hour traffic by about 16%.

## Circulation

To provide for the most efficient use of the Central District transportation network, a revised street classification system is recommended for the downtown. This classification system is intended to serve as a guide for future transportation investments, identifying, for example, where traffic movement is a priority of where access to adjacent businesses or residences is a priority. Providing such a focus for transportation investments will allow the greatest return on both public and private transportation expenditures in the future.

A primary purpose in developing the transportation plan has been to refine the existing street system in accordance with the transportation objectives which follow. These are aimed at improving both regional and local traffic circulation.

## Policy

**The capacity of those roadways that best provide access between Downtown Oakland and the regional freeway system should be improved with particular emphasis on east-west movements to access I-980.**

## Implementing Actions

- o Restripe and widen Grand Avenue.
- o Create a one-way couplet on 11th and 12th Streets.
- o Provide double left turn lanes at the Grand Avenue and 27th Street intersections with Northgate Avenue.
- o Provide numerous improvements along Broadway to facilitate traffic flow to and from the freeway and the Alameda tube.
- o Restripe Harrison Street for one-way northbound traffic flows between 10th and 20th Streets.
- o Revise the existing channelization and restripe the Oak/Madison Street couplet.
- o Provide an auxiliary merge lane at the Oak Street southbound on ramp to I-880 and an auxiliary northbound lane on I-880 for the Oak Street exit.
- o Remove parking and provide three travel lanes on the northbound approach to the 5th and Broadway intersection.

**Policy**

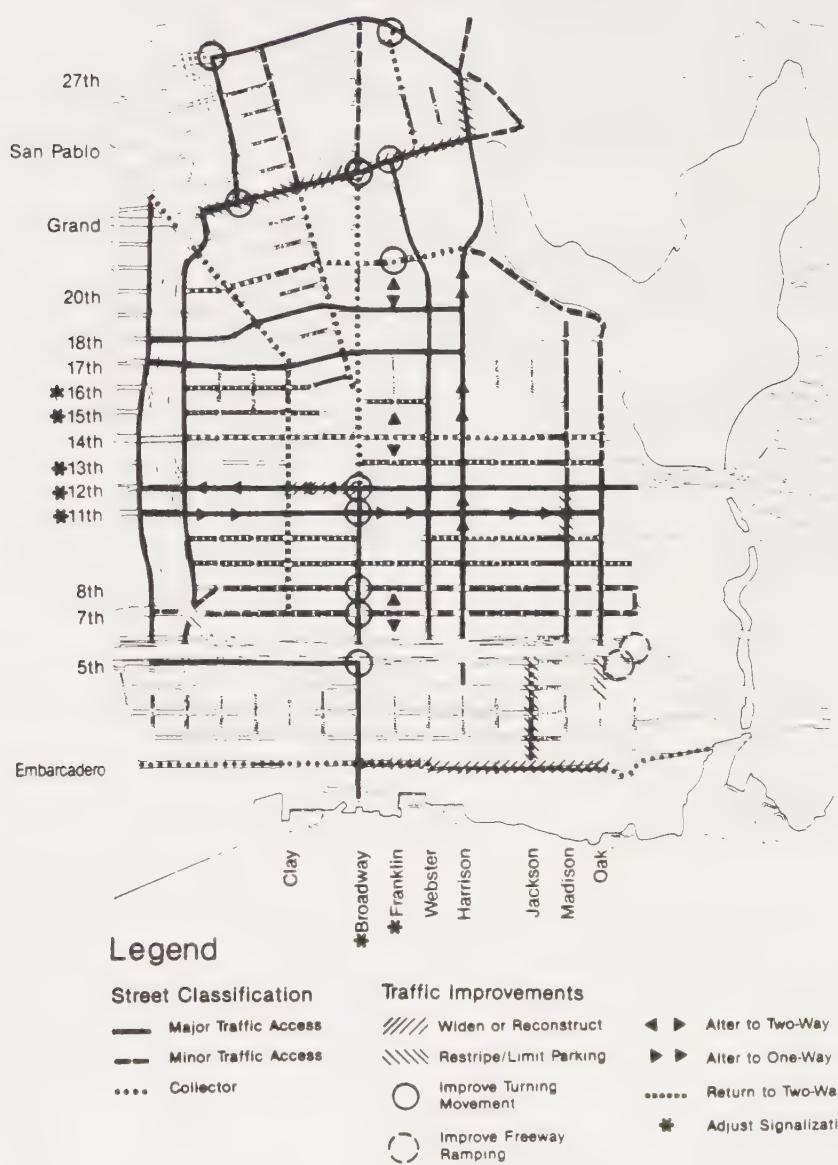
- Revise the 27th/Valdez intersection.
- Realign 17th Street between Broadway and Grove Street.

**Implementing Actions**

Roadway capacity should be improved at those locations expected to experience significant traffic congestion.

- Provide an additional travel lane on Harrison in each direction between 23rd and Bay.
- Create an additional travel lane on the southbound approach to the Grand/Harrison intersection.

**Circulation Improvements**      Figure 23



- o Provide an additional southbound lane on Harrison south of Grand Avenue to serve Kaiser Center.
- Policy**

**Local Circulation should be improved in a manner that enhances the Central District's residential neighborhoods.**
- Implementing Actions**

  - o Restripe the following streets to two-way operation:
    - 16th Street between Castro and Telegraph
    - 15th Street from Castro to City Hall Plaza and Broadway to Harrison
    - 13th Street between Broadway and Oak
    - 10th Street between Castro and Oak
    - 9th Street from Castro to Fallon
    - Franklin Street
    - Widen Embarcadero to four lanes with parking
- Policy**

**The City should monitor street conditions to evaluate the effects of the recommended transportation improvements.**
- Implementing Action**

  - o Undertake a comprehensive peak hour traffic count monitoring program. The operation of specific intersections should be evaluated on a 3-year basis. This traffic count program will help determine when the areawide improvements recommended as part of the above-stated objectives and policies should be implemented.
- Policy**

**Truck loading and service access conditions should be controlled to avoid conflicts with other traffic and with pedestrians.**
- Implementing Actions**

  - o Allow truck access on most major access routes into the Central District.
  - o Prohibit truck loading on major or minor vehicle access streets.
  - o Require all downtown commercial development projects needing more than two loading bays under current conditions to provide at least one large (45-foot or greater) bay if off-street maneuvering is proposed.

- o Restrict on-street loading, except in circumstances where there is no other practical loading solutions.
- o Require all projects which are to have four or more standard berths to develop off-street maneuvering areas and not be allowed to have on-street maneuvering options.

#### Public Investment

Order of magnitude cost estimates have been prepared for the various roadway improvements. They include a 25% contingency and 15% engineering and planning factor. The cost of implementing the proposed circulation plan for downtown Oakland is estimated to be \$23,818,100. A cost estimate has been developed for each of the specific improvements and is outlined in the CDDP Technical Report. Individual projects range in cost from as low as \$4,300 for proposed improvements along Northgate, to as high as \$6,900,000 for the suggested improvements to the I-880 (Nimitz) freeway. The largest projects are associated with the expanded capacity of Grand Avenue and the realignment of 17th Street.

To help finance these suggested roadway improvements, specific project costs have already been assigned to proposed developments through the environmental review process. Roadway improvement costs allocated to specific developments range in price from a low of \$180,000 for Jack London Square to a high of \$3,306,250 for Kaiser Center. In addition, Caltrans has been allocated \$3,450,000 for the recommended improvements to the I-880 (Nimitz) freeway. Even with these development cost allocations, the unfunded shortfall for the Central District Traffic improvements is \$10,262,400.

## Parking

Today the Oakland Central District experiences a modest surplus in parking supply both on-street at metered spaces and off-street in public parking lots during the heaviest weekday demand period. As occurs in most downtown areas, however, the greatest surplus of parking capacity occurs on the fringes of the Central District, for example north of Grand Avenue, on the western fringe near the Grove-Shafter Freeway, and in the Waterfront and Embarcadero areas. In the more heavily developed central core extending from the Kaiser Center area down to Chinatown, the parking situation is more acute. This core area is approaching its capacity of both long and short-term parking spaces. It is becoming more difficult to find parking on-street, and off-street parking is becoming more expensive in the areas where a shortfall occurs.

As buildings currently being rehabilitated or constructed become occupied, the parking shortage will be compounded. It is projected that by the year 2000, the current Central District parking surplus will shift to a parking shortfall. Parking is a vital element for access to the Central District and without a definitive policy and strategies to address potential shortfalls, the market for new development in downtown Oakland could be constrained.

Estimates of parking supply and demand generated by new or proposed development have been prepared to provide some perspective on future parking conditions. The estimate of future parking demand is based on the assumption that 9.3 million gross square feet of office space, 1.5 million gross square feet of retail space, 1,450 hotel rooms, and 2,578 dwelling units would be developed and occupied in the Central District by the year 2,000 during this period. This new amount of development, which was outlined as Alternative C in the Phase II CDDP Report, represents a substantial proportional increase in Oakland's share of the Bay Area's office, retail and hotel market. The total includes buildup of all major projects that have been proposed and approved by the City.

Approximately 88% of the office, 49% of the retail, 83% of the hotel, and 33% of the residential development anticipated by the year 2000 is either already approved by the City or currently under review. The development approved includes less parking than anticipated demand projections. This is, in part, because the zoning code does not require parking for major developments.

Office developers determine the amount of parking needed for the project. Because much of the anticipated future development has already received all necessary permit approvals, the City has limited opportunity to correct the projected parking deficiencies by requiring greater parking commitments from developers.

A total year 2000 parking demand of 20,120 has been projected based on today's parking characteristics. There would be 14,393 new parking spaces constructed as part of new developments thereby resulting in a total shortfall of 7,384. The greatest shortage is projected in the Lake Merritt Office and City Center districts, primarily attributable to the Kaiser Center and Oakland City Center. Thus, much of the shortfall in parking would be unaffected by policy changes in downtown parking without provision of additional parking. The projected parking shortfall is tempered slightly by the current parking surplus that exists in the Central District which would reduce the shortfall to 5,261 spaces.

Based on the projected parking shortfall of parking, the City needs a strategy which resolves the problem to maintain the desirability of the downtown area for future land uses. Because it can not be presumed that developers will provide more parking than they have been approved for, the City will have to address the shortfall either by supplying City-owned and operated parking facilities, improving transit service and/or ridership through stepped-up transit marketing, or in some manner facilitating development of privately owned and operated parking facilities. The following sections presents the recommended policy for future downtown parking.

#### Policy

**The City should manage the supply and use of new parking spaces to provide a balance between the need for long and short-term parking and to enable the Central District to continue to have relatively uncongested streets.**

**Implementing Actions**

Adopt the following changes in the parking code:

- o Office Use - Within C-51, C-52 and C-55 zones (Grand Avenue to the Nimitz Freeway), establish a 0.9 space/1,000 GSF maximum parking requirement (similar to one space for every 1300 leaseable square feet). Establish a minimum ratio of 0.5 - 0.8 spaces per 1000 GSF. Developers should be encouraged to reduce parking from the maximum parking standard down to the minimum through special TSM or transit strategies.
- o Residential Use - Consider amending the code to reflect actual parking demand. A new city-wide parking code could be established based on the bedrooms per unit.

**Policy**

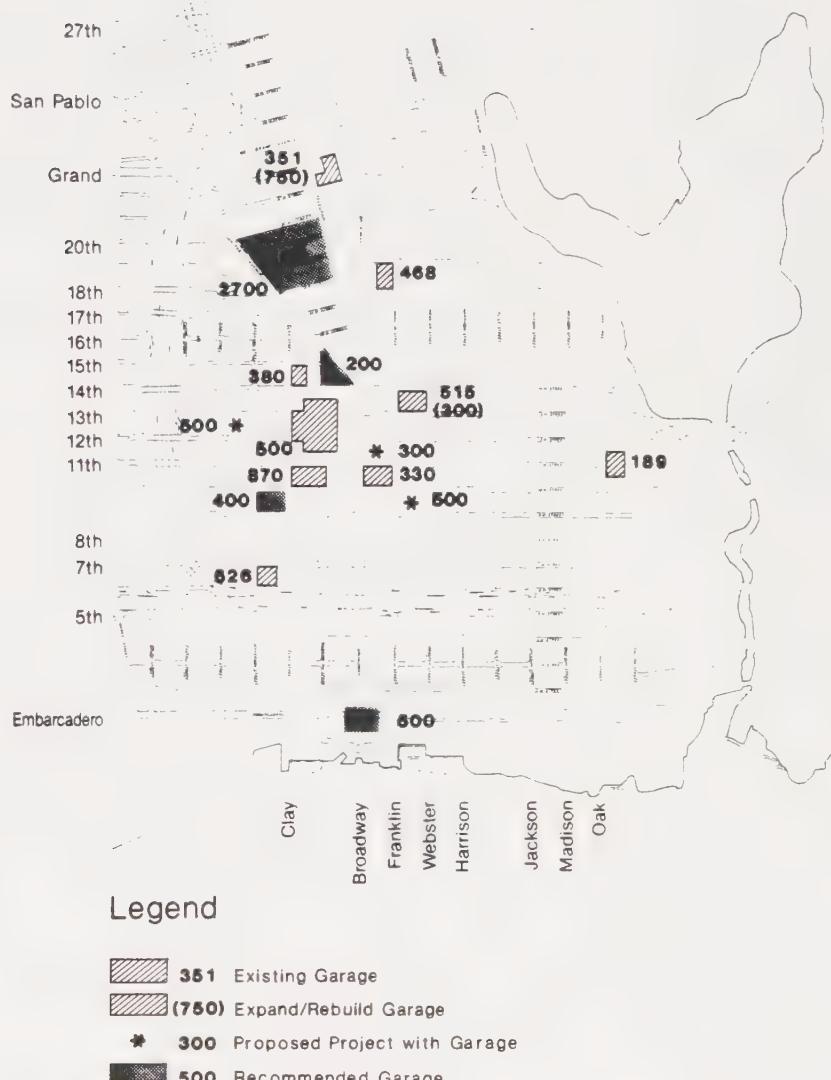
**The City should amend the rate structure for on-street parking and in City-owned garages to favor short-term users and to increase the parking revenues needed to construct additional short-term off-street spaces.**

**Implementing Actions**

- o Increase the on-street parking rates to \$.60 per hour within the core of the Central District.
- o Establish a graduated parking rate to favor short term parking in City-owned and operated garages. The first step would be to increase off-street parking fees in City lots and garages to \$.40 or \$.50 per hour and eliminate the maximum daily parking fees.
- o Develop an additional 5,000 short-term parking spaces in City garages. The Short Term Parking Supply diagram shows the publicly-controlled garages in downtown Oakland and the potential area where new garages should be located.
- o Encourage all new parking garages to be accessible for public use to improve utilization of parking resources. Use of reserved stalls should be discouraged in favor of guaranteeing general use of parking spaces. This can be done effectively by over-subscribing monthly or daily parking in a lot or garage.
- o Encourage attendant parking in lots or garages in desirable locations in the Central District (allowable under Conditional Use Permit, Section 7543 of Zoning Regulations).

- Encourage owners of existing and/or new garages to make parking available to the general public for evening and weekend use.
- Permit one hour of free parking in City-owned garages. Additionally, allow two hours of free parking in selected on-street parking zones (e.g. near retail shops during the weekends).
- More aggressively promote use of the validation program in City-owned garages.

## Short Term Parking Supply Figure 24



**Policy**

**The City should support and implement recommended policies of the Central District Transit Systems Improvement Study.**

**Implementing Actions**

- o Lobby BART to improve transit service to downtown Oakland by establishing a new exclusive East Bay service line between Concord and Fremont or peak services which originate in downtown Oakland.
- o Develop additional access points to BART station areas and expand the turnstile and fare facilities especially at the 19th Street Station in Oakland. This could include actions such as a new plaza access point to BART for the Retail Center project, extension of the 19th Street Station mezzanine to 21st Street and additional turnstiles accessing John B. Williams Plaza at 12th Street Station.
- o Establish policy which supports all extensions of BART to East Bay cities, expanding the service of regional transit to Oakland.
- o Assist in the development of funding programs for transit capital and operating improvements as recommended in the Central District Transit Study.

**Policy**

**Garage parking entrances and exits should be located where conflicts with pedestrians and buses can be minimized.**

**Implementing Actions**

- o Locate short-term parking lots at or near sites indicated on the Short-Term Parking Supply diagram.
- o Do not permit entrance/exit locations to garages on streets that are important for transit and pedestrian circulation.
- o Provide long-term parking in peripheral lots such as under the Grove-Shafter or Nimitz Freeway. The City should immediately negotiate with Caltrans the steps needed to gain control of these sites.

**Policy**

**Commuters should be discouraged from parking in residential neighborhoods.**

Implementing  
Action

- o Implement a residential permit parking program in the Adams Point neighborhood and residential areas adjacent to the downtown area where commuter parking could significantly impact the availability of parking.

Public Investment

5,000 Parking Spaces

\$50–60,000,000

**Transportation  
Systems  
Management**

To work effectively, both the traffic and parking recommendations of the CDDP depend upon an active TSM and transit program. If an increasing proportion of those commuting to the Central District do not vanpool or ridetransit, streets will be congested beyond desired levels and available parking spaces will become more scarce. Such conditions will affect the attractiveness of Oakland and require additional public and private costs to remedy the problems.

The proposed program involves continuing with the current approach to TSM in Oakland of placing conditions on new development coupled with follow-up to ensure compliance and their success; more aggressive promoting of voluntary TSM programs; monitoring of traffic and parking conditions; and ongoing evaluation and adjustment of programs as needed to achieve stated objectives.

**Policy**

**The City should establish a program to encourage TSM actions in the Central District.**

**Implementing  
Actions**

- o Establish the position of City TSM Coordinator who should arrange with any interested developers or employers to provide TSM guidance documents; to hold workshops with management about simple, cost-effective activities that they could undertake at their sites; and to assist them technically in designing a program of appropriate scope.
- o Prepare an annual report on the effectiveness of the TSM programs. The City TSM Coordinator should monitor parking and traffic conditions in parking areas using data currently gathered annually by the City through environmental studies and also initiate any necessary data gathering efforts as a supplement. The Coordinator would also review the progress made by the TSM programs enacted by the development projects.

**Policy**

**TSM actions should be established as voluntary programs to serve all major developments.**

**Implementing  
Actions**

- o Establish an On-site Coordinator as a condition of project approval to carry out the TSM program day-to-day. Depending on the number of employees in the group served, the position may be part-time. Duties would include:

- Establishment of a commuter matching service to bring together employees with similar commute paths and work time schedules to meet each other and form pools.
- Establishment of a Transit Promotion program to distribute transit schedules, timetables, and trip planning brochures, sell transit passes and general promotion of public transit use.
- Management of privately controlled parking garages to provide additional incentives to car and van pools.
- o Encourage flextime and staggered work hours to reduce peak hour congestion.

**Policy**

**A contingency TSM plan should be established if peak-hour congestion exceeds desired levels and the voluntary program is not working effectively.**

**Implementing Actions**

- o Enact free vanpool parking in city lots and free vanpool parking in all new development lots. Two stalls per 100 should be sufficient to meet demand for vanpools.
- o Levy an additional tax on all off-street parking, as a way of reducing the attractiveness of long-term parking by solo drivers. The tax could be levied as a fixed fee per space per year. The tax revenues could be used to subsidize and thus encourage short-term parking.

Public Investment	TSM Coordinator (15 years)	\$750,000
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## **Community Services**

Studies of community facilities conducted as part of the Phase I and Phase II CDDP determined that improvements were needed to: 1) the available Central District elementary school capacity and 2) the sewage system in order to accommodate more housing and commercial development.

Lincoln Elementary School, which specializes in education for Asian children, is at enrollment capacity. The School District is taking a number of operational steps to try to lessen the problem of the school including consideration of all-day operation and possible modification of the school enrollment boundaries. However, the District does not feel that these actions alone will provide a major solution to the overcrowding problems. Rather, the District believes that a new school is needed to serve the expanding school-aged population in or near the Central District. There is presently no federal or state money available to help construct a new school.

The foremost downtown capacity limitation is the decaying sewage pipes that are contributing to sewage overflows into the Bay during intensive rain storms. A failure to take progressive steps to rebuild or replace the sewer pipes could lead to action by the Regional Water Quality Control Board to restrict additional development in downtown.

Neither the school nor sewer problems present a constraint on the Central District's capacity to grow as long as investments are made and actions are taken to resolve the problems.

## **Policy**

**The City should assist the Oakland School District in expanding the Central District elementary school capacity to accommodate an increase in the grade school-aged population.**

## **Implementing Actions**

- o Establish a committee with representatives from the School District, Planning Department, Office of Community Development, Office of Economic Development and Employment, Lincoln School, and the community to develop a specific action program for establishing a new elementary school in or adjacent to the Central District. The committee should study other options that would not require a new school including year-round operations and boundary changes.

- o Explore with the School District the inclusion of a new school as part of a total development scheme for the property now occupied by the District's administration building.
- o Budget tax increment funds to support a portion of the construction costs of the new school.

**Policy**

**The City should enact a financing program for the repair and replacement of Central District sewer pipes that equitably distributes the costs to both current and future users (see developer mitigation costs and user fees in the Investment Strategy section).**

**Implementing Actions**

- o Continue to work with the East Bay Municipal Utilities District and other East Bay local governments to define a district-wide financing program.
- o Adopt a policy, as recommended in the Investment Strategy section, that requires project developers to pay for sewer pipe costs associated with new demands created by their projects. In cases where the sewer pipes are having to be replaced due to infiltration/inflow, developers' payments should be set at the amount of additional cost, if any, needed to expand the capacity of the pipe.
- o Budget tax increment funds to support a portion of the construction costs of the sewer pipe repairs and replacement.

<b>Public Investment</b>	<b>Support for Elementary School</b>	<b>\$ 2,000,000</b>
	<b>Sewer Pipe Repairs and Replacement</b>	<b>\$15,000,000</b>







# Sharing the Benefits of Growth

The benefits of growth should be felt by all sectors of Oakland. The most effective way to distribute these benefits is for the City to reinvest in the community to satisfy its most pressing social needs - employment, education and housing - and to establish a socio-equity policy which ensures that minority investors will be able to participate in developments which receive public funds.

## **Minority/Community Equity**

The City Council has established social equity as a public policy priority in Oakland. It is similar to the traditional affirmative action programs and should be treated as such. The fact that it is a new objective -- capital formation in the minority community -- should not detract from its fundamental purpose.

Various segments of the City of Oakland have struggled with the question of an appropriate minority equity and local hiring policy for many years.

However, in today's Oakland a different attitude seems to prevail. Majority and minority businessmen and women alike agree on the need to move forward with some kind of compromise rooted in a "live and let live" context. Majority developers openly express support for the creation of some kind of mechanism to provide a "stake" for their minority counterparts. They also express a willingness to hire a qualified local workforce.

### **Employment**

At the present, both attempts at formulation and implementation of an employment policy appear to be fragmented. At the policy level, the City has agreed to test the Chamber of Commerce's voluntary "Hire Oakland First" policy which is basically a partnership between the City and the Chamber. But this pilot program, which is funded through June, 1986, has no established goals and timetables.

At the implementation level, the Council is presently funding 20 different job training and placement programs through the Private Industry Council (PIC). This approach is inconvenient for employers because it lacks an involvement with multiple agencies.

Further, it is unrealistic for community leaders and organizations to demand mandatory local hiring programs for a workforce that does not have the minimum skills required by potential employers. The Gutherie Report, which evaluated aspects of Oakland's public school system, revealed that many high school students can only read, write and calculate at levels far below the national average, which only compounds the problems associated with the changing demographics faced by Oakland. The challenge for Oakland's civic and business leadership is to develop a workforce with the basic skills to find employment anywhere, whether it be in Oakland or New York City.

### **Housing**

From 1980 to 1985, 860 residential units were added to the Central District's housing stock. During this time, approximately 125 units were lost due to demolition, conversion to other uses or relocation. An unknown number were renovated, then rented or sold at higher costs, often forcing previous tenants out of the market. Tenants of residential hotels, a significant proportion of the Central District's population, are particularly vulnerable to this cycle.

The gain of 860 housing units in the Central District over the last five years represents a significant increase in the City's housing supply, amounting to 24% of the net gain citywide during that period. However, fewer than 50 of the 860 units produced were in projects built without some form of public assistance. The reasons for the low level of unassisted housing

production stem from several causes: high land and construction costs, lack of neighborhood conveniences and amenities, and the overall image of the Central District.

While there is a great need for new market-rate and assisted housing, the current rents or prices paid for housing are not sufficient to cover the cost of constructing and financing new apartments.

Any effort to increase the supply of new housing in most sections of the Central District will require some form of subsidy, even for market-rate housing.

## **Minority/ Community Equity**

The two main controversies surrounding the City's current minority equity participation policy relate to 1) how participation requirements are determined and applied (with some charging that application is inconsistent from project-to-project); and 2) the absence of a written policy that permits developers to know "up front" what requirements must be met and how to meet them so that they can factor into their financial equation costs associated with compliance.

This section describes the guidelines for establishing a Minority Equity and Profit Sharing Policy for the City of Oakland. The policy is structured to accommodate a variety of development project types to which the City provides assistance. It offers a level of flexibility to developers without compromising the City's determination to see meaningful progress in this area.

### **Policy**

**The City should require project sponsors of any new projects, or additions to or conversions of existing projects in the Central District which require City assistance, to develop a minority equity participation program.**

Minority developers and/or investors may be offered one of four different options of participation, each of which is described below:

#### **1. Purchased Equity by All Participants**

Requirement: 20% of Control

A share of equity is purchased by minority participants to meet or exceed established goals.

#### **2. Loaned Equity**

Requirement: 15% of Control

The major developer makes a loan to the minority developer for use in purchasing the minority developer's share of equity.

#### **3. Equity-for-Service**

Requirement: 10% of Control

This option is aimed at recognizing that "sweat equity" is an approach that merits consideration. Permit minority developers and investors express a desire to provide services in lieu of capital. The dollar amount would be set based on prevailing

professional rates.

**4. Profit Participation Gift**

Requirement: 5% of Profits

Under this option the minority developer partner would share in profits only with no resultant ownership in the development, no liabilities, and no share in tax write-offs.

**Implementing Actions**

- o Establish the Office of Economic Development and Employment as the department which administers the policy.
- o Distribute the policy widely so as to fully acquaint the community with its provisions.
- o Develop criteria to guide the formulation of a minority investor resource list and begin compilation. The list of interested and qualified minority developers/investors will be a resource to facilitate the implementation of this policy.

**Policy**

A community equity participation fund should be established by the City to enable non-profit organizations to establish equity in public-initiated development projects.

Community equity participation is based on an allocation by the City of tax revenues generated by the City. This does not preclude non-profit entities from participation on a development team where their participation is to the best interest of the parties (e.g. generation of housing as an amenity on a not-for-profit basis).

**Implementing Action**

- o Budget tax increment funds to enable a non-profit organization to participate in the Retail Center project.

**Public Investment**

Community Equity Participation

\$1,000,000

## **Local Hiring**

The City of Oakland, business and community leaders, the school system, and job training/placement programs need to coalesce as one body to provide employment opportunities for local residents who can demonstrate the basic educational skills for present and future societal and business needs. To that end, the following local employment program should be enacted by the City.

### **Policy**

**A Central Job Referral and Placement Center should be created and funded by the City on a two-year trial basis as a means of furthering the voluntary "Hire Oakland First" program. The City should also set targets for evaluating the success of the program.**

### **Implementing Actions**

- o The Oakland Job Referral and Placement Program should establish a three-year target of seeking the participation of 25% of the businesses located in the Central District. This will require direct solicitation as opposed to indirect referral.
- o At least two qualified applicants should be referred to employers for each entry-level position listed.
- o An annual goal of 1000 listings should be established representing half of the estimated number of entry-level positions available in the Central District.
- o The Oakland Job Referral and Placement Program should make an annual report to the City Council indicating its success in achieving the targets and reporting on the number of job placements resulting from the program.

### **Policy**

**Encourage the involvement of businesses and workers in helping prepare Oakland public school students for future Central District jobs.**

### **Implementing Actions**

- o Create a Teacher/Employer Association to serve as a forum between the business community and the Oakland and Peralta School Districts in developing the training needed by Oakland employers.

- o Create, under the direction of the School District, a program so that Oakland businesses and employers can provide in-class support to teachers. This program should establish an initial goal of 10,000 volunteer hours and provide either:
  - general assistance -- math, writing, verbal presentation, or
  - specialized assistance -- equipment, special financial, equipment, repair, business training.

Public Investment	Central Referral and Placement Center	\$3,000,000
-------------------	---------------------------------------	-------------

## Housing

The enhancement of the existing Central District residential neighborhoods and the provision of new housing development are key ingredients in the evolution of a more vital, sophisticated and attractive downtown.

Given current conditions, the housing strategy for the Central District must have the following components:

1. Support for low and moderate-income housing, particularly for single occupancy units, to help offset any housing loss that may result from the economic revitalization of downtown.
2. Stabilization of existing neighborhoods with zoning regulations that support residential land uses.
3. Selective public investment, over the next 5-10 years, in market-rate housing to stimulate a regeneration of this form of downtown residential development.
4. Reinforcement of residential neighborhoods by providing essential neighborhood services and amenities.

The following policies and governmental actions are needed to increase housing production and to protect the current supply of Central District housing.

## Policy

Existing Central District neighborhoods should be preserved and enhanced by adopting residential zoning that encourages infill development of an appropriate scale and type.

## Implementing Action

- o See Land Use recommendations

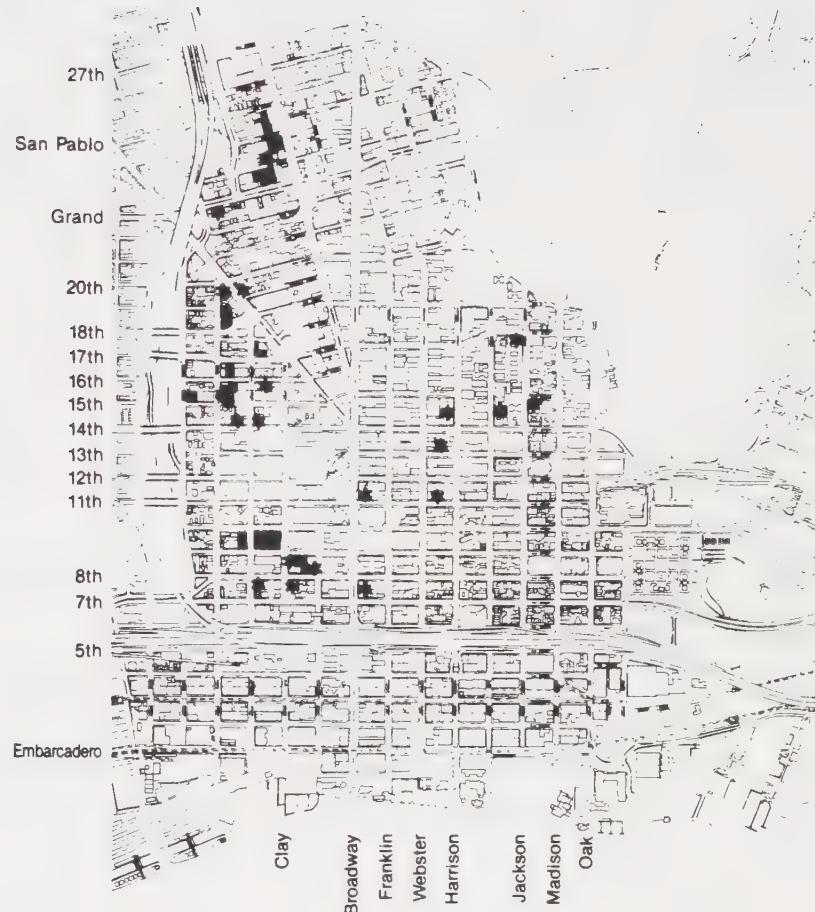
## Policy

The supply of subsidized low and moderate-income housing in the Central District should be increased with financial assistance from tax-increment revenues.

## Implementing Action

- Starting in 1986, allocate 20% of all tax increment monies into a housing development fund, to finance construction of new housing, rehabilitation and acquisition of residential hotels and provision of emergency housing shelters. Potential sites are identified on the map below.

Priority Housing Projects      Figure 25



### Legend

- \* Single Room Occupancy Housing
- Proposed Central District Housing Projects

**Policy**

**The City should strive to maintain the current supply of 1,800 SRO units in or immediately adjacent to the Central District.**

**Implementing Actions**

- o Establish the acquisition and/or rehabilitation of residential hotels as the highest priority for housing expenditures over the next 5-10 years. Increase the proportion of Central District tax increment dollars earmarked for housing expenditures from 20% to 25% if the total number of SRO units drops below 1,500 units.
- o Establish a voucher referral program. This system calls for the hotel owners to monitor, on an ongoing basis, the inventory of vacant rooms available for permanent residential hotel tenants. Tenants faced with displacement, as a result of plans for upgrading the hotel, would be entitled to an available room in another hotel.
- o Establish an office of SRO ombudsman or designate a staff member to be responsible for providing information and mediating disputes regarding the SRO units. This person could also operate the proposed voucher referral program.
- o Prepare an annual survey of SRO conditions and supply and report the findings to the Redevelopment Agency/City Council.
- o Conduct a study of potentially available SRO buildings both within and immediately adjacent to the Central District that might be renovated/ converted by the City or non-profit organizations.
- o Review building code and zoning requirement to determine possible changes that would help reduce the cost of new SRO units. For example, the number of parking spaces could be greatly reduced.
- o Do not financially participate in projects which lead to the conversion of residential hotels to any other purposes, except those adjacent to the Old Oakland project.

- o Establish an SRO replacement fee required for conversion or demolition of existing residential hotels. The fee should be used to offset some of the cost associated with acquiring and constructing/rehabilitating replacement housing. A study should be conducted to determine the exact amount of the fee and an equitable payment schedule.
- o Amend Section 7026 of the Oakland Zoning Regulations to apply to residential as well as non-residential zones. This section of the zoning code prohibits the conversion of a dwelling unit located in non-residential zones into non-residential uses except upon the granting of a conditional use permit. Some of the residential hotels are located in areas proposed to be rezoned from commercial to residential uses and therefore need the protection provided by Section 7026.
- o Amend R-70 residential zone regulations to allow semi-transient residential activities as conditionally permitted activities. Such uses are not presently permitted in that zone.

Public Investment

Table 1  
**RECOMMENDED HOUSING PROJECTS**

Project	Cost	Units
Northgate Rental Housing	\$ 2,230,000	89
16th Street Rental Housing	5,812,000	165
Retail Center Rental Housing	2,159,000	42
Housewives Market Rental Housing	8,911,000	196
Victorian Row Rental Housing	1,743,000	74
Residential Hotels-Acquisition/Rehab	4,000,000	58
City Center Rental Housing	2,200,000	200
Residential Hotel Loan Fund	2,500,000	170
Emergency Housing Shelter	500,000	-
Scattered Site Housing	5,000,000	142
TOTALS	\$35,055,000	1,136







# Investment Priorities

## Investment Strategy

The Central District investment strategy must be composed of a logical set of actions that all complement each other and which help achieve the stated goals and policies. The proposed investment strategy was developed based upon analysis and community discussion that occurred during Phase II of the CDDP. The strategy is a blend of the Alternative B and C programs and assumes that the efforts to attract more businesses to Oakland will work successfully and will result in an increased rate of growth in tax increments that is needed to finance future projects.

The recommended investment strategy recognizes that tax increments will continue to be the dominant source of revenue to finance Central District projects and programs. With the demands for tax increments far greater than their supply, it is necessary to establish priorities to be used in structuring an investment program. Moreover, the strategy must establish principles for when other revenues sources, including the Off-Street Parking Fund, development fees and assessment district are needed to finance certain projects.

### Priorites for Allocating Tax Increment Funds

The recommended priorities for use of tax increment funds are:

1. Maintain and improve basic improvements (e.g. sewer, sidewalks, landscaping) needed to maintain the Central District as an attractive and well functioning place to live and work.

2. Complete those long-standing community and economic development projects that have received previous financial commitments by the Redevelopment Agency including City Center, Victorian Row (Old Oakland), Preservation Park, and Chinatown.
3. Enact the tenant attraction programs to increase the rate of absorption and development of approved commercial projects.
4. Spend 20% of the new tax increment in Central District housing programs as recommended in the housing policies.
5. Support improved job training/placement programs to coincide with increased commercial development.
6. Develop supporting improvements, including sewer pipes, school, streetscape amenity, circulation, transit, and parking to stimulate new housing and commercial development.
7. Use tax increment expenditures as an inducement to stimulate interest in projects that require additional local project financing through assessment districts. Such projects include the Broadway Trolley and Broadway streetscape enhancements.
8. Provide for contingency expenditures that may arise due to the needs of previously approved projects or to enable the Redevelopment Agency to take advantage of some unique opportunity.

## **Investment Program**

### **Revenues and Expenditures**

In addition to the above priorities, the investments should be scheduled and located to support the entire Central District Development Program. The proposed investment program schedules projects such that the construction of supporting improvements precede the development of new housing and commercial projects. New capital improvements and commercial/housing developments are located and scheduled such that they are mutually supportive.

A comprehensive list of project and program expenditures necessary to implement the CDDP has been developed. These projects are summarized by category in Table 2.

Table 2  
**CENTRAL DISTRICT DEVELOPMENT PROGRAM**  
**TOTAL INVESTMENTS**

COMMUNITY FACILITIES	\$19,500,000
Sewers	\$15,000,000
School	\$4,000,000
Barrier Removal	\$500,000
TRANSPORTATION	\$85,550,000
Streets	\$23,000,000
Parking	\$52,800,000
Broadway Trolley	\$9,000,000
TSM Program	\$750,000
COMMERCIAL PROGRAMS	\$57,562,000
Tenant Attraction	\$3,000,000
Child Care Centers	\$1,000,000
Labor Force Training/Placement	\$3,000,000
Community Equity Participation	\$1,000,000
Cultural Development	\$5,000,000
City Center	\$1,500,000
Chinatown	\$1,000,000
Retail Center*	\$20,000,000
Housewives/Swans	\$7,162,000
Victorian Row Mixed Use*	\$5,900,000
Produce Market/Embarcadero	\$3,000,000
Commercial Rehabilitation Loan Program	\$6,000,000
HOUSING	\$35,055,000
New Rental Housing	\$28,055,000
Residential Hotel	\$7,000,000
STREETSCAPE AMENITY	\$34,342,000
City Hall Plaza*	\$5,192,000
Broadway Enhancements	\$9,000,000
San Pablo/Telegraph Enhancements	\$1,200,000
Neighborhood Street Trees	\$4,300,000
Gateways	\$1,900,000
New/Rehabilitated Parks	\$12,750,000
TOTAL	\$232,009,000

\* Parking for these projects is included under the parking table.

The revenues available to fund these programs would come from five principal sources: property taxes generated by projects in the downtown urban renewal district (tax increment revenues), off-street parking funds, development mitigation costs, assessment districts and user fees. Of these five only the first two represent revenue sources that can be readily estimated. Table 3 indicates revenue projections from these sources over the next 15 years. A comparison of the cost of the total CDDP investment program to the revenues that will be available of the next 15 years indicates a considerable mismatch. It will therefore be necessary to adopt a financing strategy that both postpones certain projects until additional revenues become available and to seek ways to increase the Central District revenue base including the use of the other three finding sources.

**Table 3  
POSSIBLE CENTRAL DISTRICT REVENUES  
1985-2000**

Current Available Tax Increment	\$24,000,000
Projected Future Bonded Tax Increment	\$97,000,000
Current Available Parking Fund	\$13,000,000
Projected Future Bonded Parking Fund*	\$33,300,000
Projected Revenues from	
	TOTAL
	\$167,300,000

- \* Assumes change of meter rates to \$.50 per hour and additional revenues from new garages. The total annual revenues are then used to finance bonds used to pay for new garages. Parking projects elsewhere in the City could account for \$10 million and were deducted from the project future fund.

## Tax Increment Funds

Tax increment revenues comprise the largest share of available funds largely because the City is able to leverage this revenue by issuing long-term bonds. The bonds are repaid with increased property tax revenues that result from the new buildings constructed within the Central District Urban Renewal Project Area. Therefore, the City's ability to generate revenue is tied to its ability to increase the rate of development. Projections of the tax increment revenue have been made for the next 15 years using a computer-based forecasting program. These projections assume a fairly high rate of growth amounting to greater than 500,000 square feet of office space per year and completion of the Retail Center.

The program is divided into 3 five-year phases with available funds allocated to the projects and programs listed in Tables 4 through 6 according to the priorities listed above.

## 1985-90 Tax Increment Budget

Based on the above priorities, the recommended tax increment program for 1985-90 is provided in Table 4. There would be an estimated \$41 million to be invested during the 1985-90 period, including \$24 million in currently unallocated funds and \$17 million in projected new, unencumbered tax increments.

The first five-year program places a significant emphasis on initiating tenant attraction programs. It also recommends support for major street and sewer improvements. The housing investments, which account for 20% of the five-year budget, place emphasis on residential hotel purchases and improvements. New housing should be initiated in the Old Oakland and in City Center West. A new neighborhood park and tree planting program would also occur in that neighborhood.

Funds would be held aside for the Retail Center as negotiation proceeds on the project. Should that project not proceed as anticipated, the money should be reallocated for projects called for in 1990-95 and a commercial loan rehabilitation program should be initiated.

Table 4  
1985-90 TAX INCREMENT INVESTMENT PRIORITIES

Available Increment	\$41,000,000	% of total
COMMUNITY FACILITIES	\$3,500,000	8.5%
Sewer Replacement	\$3,000,000	
Barrier Removal	\$500,000	
TRANSPORTATION	\$4,390,000	10.7%
Traffic Sub-total	\$4,140,000	
South of Harrison	\$360,000	
Franklin	\$600,000	
Grand (Broadway/Telegraph)	\$150,000	
Oak/Madison	\$250,000	
11th/12th couplet	\$1,300,000	
Northgate	\$10,000	
Grand (Broadway/Webster)	\$1,440,000	
Harrison(23/Grand)	\$30,000	
TSM Coordinator	\$250,000	
COMMERCIAL	\$14,400,000	37.6%
Tenant Attraction	\$2,000,000	
Day Care	\$500,000	
Retail Center*	\$7,000,000	
Victorian Row Mixed Use	\$5,900,000	
HOUSING	\$8,250,000	20.1%
City Center	\$2,000,000	
Residential Hotel Loan	\$1,000,000	
Hotel Acquisition/Rehab.	\$1,400,000	
Victorian Row Rental	\$1,750,000	
16th Street Rental Housing	\$2,100,000	
STREETSCAPE AMENITIES	\$7,050,000	17.2%
City Center West Park	\$1,200,000	
Rehab Lafayette Park	\$100,000	
Broadway Enhancements	\$5,000,000	
Street Trees (City Center West)	\$400,000	
Street Trees (Chinatown))	\$350,000	
COMMUNITY BENEFITS		
Labor Force Training/Placement	\$1,000,000	2.4%
CONTINGENCY FUNDS	\$1,410,000	3.4%
Available Increment	\$41,000,000	

\* If the Retail Center does not proceed, the funds should be redirected to accelerate the commercial and streetscape projects scheduled for 1990-1995 as well as implement the commercial loan rehabilitation program.

**1990-95  
Tax Increment  
Budget**

The estimated tax increment available during 1990-95 is \$32 million as indicated in Table 5. The recommended budget for this 5-year period again investes 20% in on-going housing projects as well creates a new rental project on 16th Street.

The largest investment goes to the Retail Center, including a \$3.8 million traffic project to realign 17th Street and \$1 million for community equity.

Tenant attraction programs, whose effectiveness should have been established in the first five-year period, could receive reduced support.

**Table 5  
1990-95 TAX INCREMENT INVESTMENT PRIORITIES**

Available Increment	\$32,000,000	% of total
COMMUNITY FACILITY	\$2,000,000	6.3%
School	\$2,000,000	
TRANSPORTATION	\$4,130,000	12.9%
Traffic Sub-total	\$3,880,000	
17th Street realignment	\$3,880,000	
TSM Coordinator	\$250,000	
COMMERCIAL	\$16,000,000	50.0%
Tenant Attraction	\$250,000	
Day Care	\$250,000	
Retail Center*	\$13,000,000	
City Center	\$1,000,000	
Chinatown	\$1,500,000	
HOUSING	\$6,400,000	20.0%
City Center	\$2,200,000	
Hotel Acquisition/Rehab.	\$2,000,000	
Retail Center Retail Housing	\$2,200,000	
COMMUNITY BENEFITS	\$2,000,000	6.3%
Labor Force Training/Placement	\$1,000,000	
Community Equity(Retail Center)	\$1,000,000	
CONTINGENCY FUNDS	\$1,470,000	4.6%

\* Should the Retail Center not proceed the funds should be redirected to accelerate the commercial and streetscape projects scheduled for 1995-2000 as well as continue with the commercial loan rehabilitation program.

**1995-2000  
Tax Increment  
Budget**

The estimated tax increment available during 1995-2000 is \$47.5 million. Several new projects would be initiated during this period including either rehabilitation of the Housewives Market or, alternatively, relocation of those retail uses to Swans. Another project could include needed truck-loading improvements around the Produce Market.

Major streetscape improvements would also be made along Broadway including constructing the re-designed City Hall Plaza and initiating the Broadway Trolley. Both the Broadway Trolley and streetscape improvements, however, could only proceed if they were augmented by assessment district support, as discussed later in this section. Support would be made available to finance half the cost of a new school for the Central District.

**Table 6**  
**1995-2000 TAX INCREMENT INVESTMENT PRIORITIES**

Available Increment	\$47,500,000	
COMMUNITY FACILITIES	0	% of total 0.0%
TRANSPORTATION	\$14,650,000	30.8%
Traffic Sub-total	\$5,400,000	
I-980	\$3,450,000	
Two-Way Conversions	\$1,950,000	
Parking Garage	\$5,000,000	
TSM Coordinator	\$250,000	
Broadway Trolley	\$4,000,000	
COMMERCIAL	\$10,000,000	21.1%
Housewives/Swans Retail	\$7,000,000	
Produce Market/Embarcadero	\$3,000,000	
HOUSING	\$9,500,000	20.0%
Broadway North Housing	\$2,200,000	
City Center West	\$7,300,000	
STREETSCAPE AMENITIES	\$7,600,000	16.0%
Jefferson Square Rehab	\$400,000	
Street Trees(Broadway North)	\$1,000,000	
City Hall Plaza	\$5,000,000	
Telegraph/San Pablo Improvement	\$1,200,000	
COMMUNITY BENEFITS	\$3,450,000	7.3%
Labor Force Training/Placement	\$1,000,000	
Cultural Development	\$2,450,000	
CONTINGENCY FUNDS	\$2,300,000	4.8%

## Off-Street Parking Fund

Oakland has an off-street parking program used to finance the construction of public-operated parking garages throughout the city. The program is funded primarily by dedicated revenues from parking meters.

The Off-Street Parking Fund currently has a balance of about \$13 million and annual net revenues, after payiung debt retirement and costs, of \$2.2 million. If the parking meter and off-street parking rates were raised to the level in the CDDP transportation recommendations, more than an additional \$1 million dollars would be generated.

The Off-Street Parking Funds can only be spent for land acquisitions and construction of parking garages and are therefore not available for other Central needs. However, the fund may be used in conjunction with joint-use facilities, such as commercial or housing developments that include additional public parking.

The CDDP Transportation policies called for 5,260 short-term parking spaces. Table 7 provides a recommended parking investment program that could achieve 84% of the desired parking amount but would require \$6.5 million more than the projected \$46 million revenues available for such expenditures. The 1995-2000 tax increment budget allocates an additional \$5 million for parking that could result in an additonal 500 spaces. Therefore, the overall arking finance approach comes extremely close to the desired target. Another increase in the meter rate may be needed, to help finance more garages, if short-term parking again becomes scarce.

Table 7  
PARKING INVESTMENT PROGRAM

	# of Spaces	Cost (000)
<b>1985-1995</b>		
Chinatown	500	\$6,000
Victorian Row Mixed Use	400	\$3,800
Retail Center	2700	\$30,000
<b>1995-2000</b>		
City Hall Plaza	300	\$7,500
Jack London Square	500	\$5,500
TOTAL	4400	\$52,800

Development  
Mitigation  
Costs

The City can require developers to pay the cost of facilities or services need to reduce project-related environmental impacts, as long as the fees do not exceed the cost of providing the service. Oakland has included a number of traffic and sewer replacement costs in many of the recent Central District developments.

The problem with impact costs on new development is they may significantly affect the financial feasibility of the project, particularly at a time when the market is soft and rents are lower. As a result, the developer may proceed at a slower pace or, under extreme cases, may drop the project.

Due to the gap between the total Central District Development Program and available local revenues, it is necessary for private developments to pay for projects needed to mitigate the impact of their projects.

Approximately \$6.5 million of the \$23.8 million in CDDP traffic projects are those which have been required as part of previous City approvals of the commercial development projects. Similar conditions of approvals have been established for improvements of sewer lines. The City must continue using this approach of financing needed improvements. To clarify the situation the City should adopt the following policy thereby giving project developers a better understanding of costs they may incur in seeking approvals for their projects.

Policy

**Project developers should be required to pay for public infrastructure and transportation costs associated with demands created by their projects. Such costs can include those needed to pay for increased public services or facilities caused directly by the project as well as payment of a pro-rata share of costs for community service demands caused by cumulative impacts of the project in conjunction with other nearby projects.**

Provide for waiver or modification of this policy when it places such a financial burden on the project that it is counter to another policy of the CDDP, such as more housing development.

Assessment  
Districts

Projects such as sewer, streetscape, or roadway improvements, which directly benefit the property owners in a particular area, may be financed through establishing assessment districts. Under such a district, the City pays for the improvements by issuing tax-exempt revenue bonds which are paid off annually by the property owners who benefit from the improvements.

Because there are insufficient local revenues to pay for the entire CDDP investment program, it will be necessary to finance some of the projects as part of an assessment district approach. Such projects must therefore garner sufficient popularity among the Central District property owners and businesses because such financing can occur only after achieving a majority of their support.

The projects recommended for assessment district financing are:

Broadway Trolley	\$5,000,000
Broadway Enhancements	\$4,000,000

The tax increment budgets do contain some level of support for each of these projects. That money is included as an encouragement to the property owners, businesses and other public supporters to seek other forms of assistance for the projects including the formation of an assessment district.

User Fees

The Office of Public Works has estimated that the cost of replacing, expanding or rehabilitating Central District sewer pipes could be as high as \$15 million. Such costs would include the construction of a bypass sewer at the north end of the Central District sewer improvements.

The problems associated with the Central District sewer pipes, as well as those pipes located throughout the utility district, are caused by deterioration and insufficient maintenance over a long time period. The problems have not occurred as a result of recent or anticipated new development. Therefore, it is more appropriate that much cost be spread in an equitable and cost-sensitive manner among all utility district users.

## Credits

Oakland City Council

Mayor Lionel Wilson  
Councilmember Aleta Cannon  
Councilmember Leo Bazile  
Councilmember Mary Moore  
Councilmember Frank Ogawa  
Councilmember Richard Spees  
Councilmember Marge Gibson  
Councilmember Wilson Riles, Jr.  
Councilmember Carter Gilmore

#### **CDDP Select Committee**

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Alvin James, Chairperson, Planning Department  
Norman Lind, Chairperson, Planning Department  
(retired)  
Walter Abernathy, Port of Oakland  
Captain James Cooper, Police Department  
Richard Digre, Finance Department  
Henry Gardner, City Manager  
Toni Hewlett, Office of Community Development  
Donald Larson, AC Transit  
John McCallum, Metropolitan Transportation  
Commission  
Irwin Mussen, Bay Area Air Quality Management  
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Barbara Neustadter, BART  
Terry Roberts, Public Works Department  
George Williams, Office of Economic  
Development and Employment

## Credits

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